

In the opinion of Foley & Lardner LLP and D. Seaton and Associates, P.A., Co-Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and court decisions and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2016 Subordinated Bonds is excluded from gross income for federal income taxes purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except for any period during which such Series 2016 Subordinated Bond is held by a person who is a "substantial user" of the facilities financed with the Series 2016 Subordinated Bonds or a "related person" of such substantial user within the meaning of Section 147(a) of the Code. In addition, interest on the Series 2016 Subordinated Bonds is a specific preference item for purposes of the federal individual and corporate alternative minimum taxes. Co-Bond Counsel express no opinion regarding any other federal or other tax consequences.

\$76,930,000

**GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED AIRPORT FACILITIES
REVENUE REFUNDING BONDS, SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**



Dated: Date of Delivery

Due: October 1, as shown on inside cover

The \$76,930,000 Greater Orlando Aviation Authority Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the City of Orlando, Florida (the "Series 2016 Subordinated Bonds") are being issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City"), for the purpose of providing funds sufficient, together with other legally available funds of the Authority, to: (a) refinance certain draws on one or more of the Existing Lines of Credit (as defined herein) previously used to (i) refund the Series 1997 Subordinated Bonds (as defined herein) and (ii) make certain termination payments in connection with a related swap, (b) make a deposit to the Pooled Subordinated Reserve Account (as defined herein) in an amount equal to the Pooled Subordinated Reserve Account Requirement (as defined herein), and (c) pay certain costs of issuance related to the Series 2016 Subordinated Bonds. See "PLAN OF REFINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" herein.

The Series 2016 Subordinated Bonds are being issued solely as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the Series 2016 Subordinated Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2016 Subordinated Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on October 1, 2016. Purchasers of beneficial interests in the Series 2016 Subordinated Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2016 Subordinated Bonds will be effected through the DTC book-entry system as described herein. The Series 2016 Subordinated Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal, interest, and premium, if any, with respect to the Series 2016 Subordinated Bonds will be payable by U.S. Bank National Association, as paying agent for the Series 2016 Subordinated Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2016 Subordinated Bonds are not subject to redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2016 SUBORDINATED BONDS - Redemption Provisions" herein.

The Series 2016 Subordinated Bonds are the first series of Priority Subordinated Indebtedness issued under and pursuant to the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the "Master Subordinated Indenture") as supplemented by that certain First Supplemental Subordinated Indenture of Trust dated as of July 1, 2016 (the "First Supplemental Indenture" and, together with the Master Subordinated Indenture, the "Subordinated Indenture"), each by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Master Subordinated Indenture. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

The Series 2016 Subordinated Bonds: (a) constitute "Subordinated Indebtedness" as defined in and authorized under the Airport Facilities Revenue Bond Resolution, originally adopted by the governing board of the Authority (the "Board") on June 13, 1978, as supplemented and amended from time to time, and as modified on September 17, 2008, and as amended and restated on June 24, 2015 and effective July 31, 2015 (collectively, the "Senior Bond Resolution"), (b) are subordinate to the Senior Bonds as to the pledge of, lien on and source of payment from Revenues, and (c) are on parity with Outstanding Other Parity Indebtedness as to the pledge of, lien on and source of payment from Pledged Subordinated Revenues.

Pursuant to the Master Subordinated Indenture, Priority Subordinated Indebtedness, including the Outstanding Other Parity Indebtedness, and the Series 2016 Subordinated Bonds, and the interest and premium, if any, thereon are payable solely from and secured by a pledge of, and lien on the Pledged Subordinated Revenues. The Series 2016 Subordinated Bonds are additionally secured by the Pooled Subordinated Reserve Account. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" and "AUTHORITY INDEBTEDNESS" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto.

THE SERIES 2016 SUBORDINATED BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF PLEDGED SUBORDINATED REVENUES DERIVED BY THE AUTHORITY FROM THE OPERATIONS OF THE AIRPORT SYSTEM, THE PROCEEDS OF OUTSTANDING PRIORITY SUBORDINATED INDEBTEDNESS HELD BY THE TRUSTEE, AND CERTAIN FUNDS AND ACCOUNTS HELD BY THE TRUSTEE. PAYMENT OF THE SERIES 2016 SUBORDINATED BONDS IS SUBORDINATED TO PAYMENT OF THE SENIOR BONDS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE HOLDERS OF THE SERIES 2016 SUBORDINATED BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER, IF ANY, OF THE AUTHORITY, THE CITY, THE STATE OF FLORIDA (THE "STATE") OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2016 SUBORDINATED BONDS. THE AUTHORITY HAS NO TAXING POWER.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2016 Subordinated Bonds. Investors should read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2016 Subordinated Bonds are offered when, as and if issued by the Authority and received by the Underwriters, and subject to the approval of legality by Foley & Lardner LLP, Orlando, Florida, and D. Seaton and Associates, P.A., Orlando, Florida, as Co-Bond Counsel. Certain legal matters will be passed on for the Authority by Broad and Cassel, Orlando, Florida, as Issuer's Counsel to the Authority. Greenberg Traurig, P.A., Orlando, Florida, and Ruy H. Hawkins, P.A., Orlando, Florida, have served as Co-Disclosure Counsel. Certain legal matters in connection with the Series 2016 Subordinated Bonds will be passed upon for the Underwriters by Bryant Miller Olive P.A., Orlando, Florida, as counsel to the Underwriters. Raymond James & Associates, Inc., Winter Park, Florida, Frasca & Associates, L.L.C., New York, New York, and National Minority Consultants, Inc., Orlando, Florida, are Co-Financial Advisors to the Authority. It is expected that the Series 2016 Subordinated Bonds in definitive form will be available for delivery through DTC on or about July 12, 2016.

Citigroup

Jefferies

PNC Capital Markets LLC

Wells Fargo Securities

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS,
PRICES AND INITIAL CUSIP NUMBERS[†]**

\$76,930,000

**GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED AIRPORT FACILITIES
REVENUE REFUNDING BONDS, SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

Maturity (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP No.[†]
2016	\$14,165,000	1.000%	0.580%	100.091	392274J80
2017	4,420,000	5.000	0.890	104.972	392274J98
2018	4,640,000	5.000	1.060	108.618	392274K21
2019	4,870,000	5.000	1.200	111.963	392274K39
2020	5,115,000	5.000	1.350	114.919	392274K47
2021	5,370,000	5.000	1.500	117.505	392274K54
2022	5,640,000	5.000	1.660	119.656	392274K62
2023	5,920,000	5.000	1.820	121.419	392274K70
2024	6,215,000	5.000	1.960	122.971	392274K88
2025	6,525,000	5.000	2.110	124.094	392274K96
2026	6,855,000	5.000	2.210	125.393	392274L20
2027	7,195,000	5.000	2.320	126.336	392274L38

[†] Initial CUSIP numbers have been assigned to the Series 2016 Subordinated Bonds by an organization not affiliated with the Authority and are included for the convenience of the owners of the Series 2016 Subordinated Bonds. The Authority is not responsible for the selection, use or accuracy of the CUSIP numbers nor is any representation made as to the accuracy of the CUSIP numbers as to the Series 2016 Subordinated Bonds indicated above.

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(407) 825-2001**

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Dean Asher, Vice Chairman
Domingo Sanchez, Treasurer
The Honorable Buddy Dyer, Mayor, City of Orlando
The Honorable Teresa Jacobs, Mayor, Orange County
Ed Fouche, Member
James Palmer, Member

City Council Commissioners

Buddy Dyer, Mayor
Jim Gray
Tony Ortiz
Robert F. Stuart
Patty Sheehan
Regina I. Hill
Samuel B. Ings

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Jacki M. Churchill, Chief Financial Officer
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NO DEALER, BROKER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE AUTHORITY, THE CITY OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, IN CONNECTION WITH THE OFFERING OF THE SERIES 2016 SUBORDINATED BONDS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2016 SUBORDINATED BONDS AND THERE SHALL BE NO SALE OF THE SERIES 2016 SUBORDINATED BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE THE IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE AUTHORITY SINCE THE DATE HEREOF OR THE EARLIEST DATE AS OF WHICH SUCH INFORMATION IS GIVEN.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING STATEMENT FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

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THIS OFFICIAL STATEMENT CONTAINS CERTAIN "FORWARD-LOOKING STATEMENTS" CONCERNING THE AUTHORITY'S OPERATIONS, PERFORMANCE AND FINANCIAL CONDITION, INCLUDING THE AUTHORITY'S FUTURE ECONOMIC PERFORMANCE, PLANS AND OBJECTIVES AND THE LIKELIHOOD OF SUCCESS IN DEVELOPING AND EXPANDING THE AIRPORT. THESE STATEMENTS ARE BASED UPON A NUMBER OF ASSUMPTIONS AND ESTIMATES WHICH ARE SUBJECT TO UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE AUTHORITY. THE WORDS "MAY," "WOULD," "COULD," "WILL," "EXPECT," "ANTICIPATE," "BELIEVE," "INTEND," "PLAN," "ESTIMATE" AND SIMILAR EXPRESSIONS ARE MEANT TO IDENTIFY THESE FORWARD-LOOKING

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ALL SUMMARIES HEREIN OF DOCUMENTS AND AGREEMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AND AGREEMENTS, AND ALL SUMMARIES HEREIN OF THE SERIES 2016 SUBORDINATED BONDS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FORM THEREOF INCLUDED IN THE AFORESAID DOCUMENTS AND AGREEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2016 SUBORDINATED BONDS, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2016 SUBORDINATED BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2016 SUBORDINATED BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THE SERIES 2016 SUBORDINATED BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS EITHER THE SENIOR BOND RESOLUTION OR THE MASTER SUBORDINATED INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2016 SUBORDINATED BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2016 SUBORDINATED BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2016 SUBORDINATED BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: WWW.MUNIOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

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TABLE OF CONTENTS

(The Table of Contents for this Official Statement is for convenience of reference only and is not intended to define, limit or describe the scope or intent of any provisions of this Official Statement or the Appendices attached hereto.)

	<u>Page</u>
INTRODUCTION	1
General.....	1
Authorization for the Series 2016 Subordinated Bonds	1
The Authority and the Airport System	2
Purpose of the Series 2016 Subordinated Bonds	2
Description of the Series 2016 Subordinated Bonds	2
Security for the Series 2016 Subordinated Bonds	3
Rate Resolution and Revenue Sharing Agreements	4
Continuing Disclosure	5
Other Information	5
PLAN OF REFINANCE.....	5
ESTIMATED SOURCES AND USES OF FUNDS	7
DESCRIPTION OF THE SERIES 2016 SUBORDINATED BONDS.....	8
General.....	8
Redemption Provisions	9
Registration and Exchange	9
BOOK-ENTRY ONLY SYSTEM.....	9
CONSENT AMENDMENTS.....	12
SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS	12
General.....	13
Pledged Subordinated Revenues.....	15
Pledge of Other Available Revenues to Additional Subordinated Indebtedness.....	16
Pooled Subordinated Reserve Account.....	16
Flow of Funds under the Master Subordinated Indenture	18
Application of Revenues.....	21
Limitations on Additional Authority Indebtedness	25
Rate Covenant under Master Subordinated Indenture	28
Limited Obligations	29
AUTHORITY INDEBTEDNESS	30

Outstanding Senior Bonds	30
Outstanding Subordinated Obligations	30
Interest Rate Swap Agreements	32
CFC Indebtedness	33
THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM.....	34
General	34
Authority Governing Board and Management	35
Airport Facilities	37
Airlines Serving Orlando International Airport.....	39
Airline Market Shares	40
Enplaned Passengers at the Airport	43
International Airline Traffic in the Orlando MSA.....	44
Airline Activity at the Airport	44
Rental Automobile Concessions.....	44
Taxation of Facilities, Rentals and Services.....	45
SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY	46
Transition to Rate Resolution	46
Use and Occupancy of Terminal Premises	47
Rate Methodology, Rates and Charges.....	48
Annual Rate Changes.....	49
Revenue Sharing Agreements.....	49
Subordination to Senior Bond Resolution	50
INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES	51
General - Revenues.....	51
Information Regarding Sources of Revenue.....	51
General - Other Funding Sources	54
Applicability of Rate Resolution	54
Federal Grants-in-Aid	54
Passenger Facility Charges	54
Customer Facility Charges.....	58
AUTHORITY FINANCIAL INFORMATION.....	60
Historical Statement of Revenues and Expenses.....	61
Analysis of Airport Financial Results.....	63
Historical Debt Service Coverage.....	65
Implementation of GASB 68	66
Pension and Other Postemployment Benefits.....	66
Insurance.....	70
Environmental Liabilities	71

CAPITAL IMPROVEMENT PROGRAM.....	72
CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS.....	74
General Economic and Political Conditions.....	74
Financial Health of the Airline Industry.....	74
Availability and Price of Aviation Fuel.....	75
Airline Industry Consolidation, Competition and Airfares	75
Growth of Low Cost Carriers	76
Aviation Safety and Security Concerns	76
Airline Service and Routes	77
Capacity of the National Air Traffic Control System.....	78
Capacity of the Airport; Cost and Schedule of 2016 - 2023 Capital Improvement Program...	78
Regulations and Restrictions Affecting the Airport	78
Passenger Facility Charges	79
FAA Reauthorization and Federal Funding.....	80
Availability of Airline Financial and Operating Data	81
Structural Changes in the Travel Market.....	81
Forward Looking Statements.....	82
LITIGATION.....	82
TAX MATTERS.....	84
LEGAL MATTERS.....	87
CONTINUING DISCLOSURE.....	87
RATINGS	88
UNDERWRITING	89
FINANCIAL STATEMENTS.....	90
CO-FINANCIAL ADVISORS	90
DISCLOSURE OF MULTIPLE ROLES	90
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	91
MISCELLANEOUS	91
AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT	92
APPENDIX A	FORM OF THE MASTER SUBORDINATED INDENTURE
APPENDIX B	EXCERPTS OF THE SENIOR BOND RESOLUTION
APPENDIX C	SUMMARY OF THE CONSENT AMENDMENTS

APPENDIX D	COPY OF RATE RESOLUTION AND FORM OF REVENUE SHARING AGREEMENT
APPENDIX E	AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014
APPENDIX F	FORM OF CO-BOND COUNSEL OPINION
APPENDIX G	FORM OF CONTINUING DISCLOSURE AGREEMENT

OFFICIAL STATEMENT

relating to

\$76,930,000

GREATER ORLANDO AVIATION AUTHORITY PRIORITY SUBORDINATED AIRPORT FACILITIES REVENUE REFUNDING BONDS, SERIES 2016 (AMT) OF THE CITY OF ORLANDO, FLORIDA

INTRODUCTION

General

The purpose of this Official Statement, which includes the cover page, the inside cover and appendices attached hereto, is to set forth information concerning the Greater Orlando Aviation Authority (the "Authority"), the Airport System, the City of Orlando, Florida ("City"), and certain other information in connection with the sale of the \$76,930,000 Greater Orlando Aviation Authority Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the City of Orlando, Florida (the "Series 2016 Subordinated Bonds").

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, the more complete and detailed information contained in the entire Official Statement, including the cover page and the appendices attached hereto, and the documents summarized or described herein. Before making an investment decision, a full review should be made of the entire Official Statement and of the documents summarized or described herein. The offering of the Series 2016 Subordinated Bonds to potential investors is made only by means of the entire Official Statement, including the appendices attached hereto. No person is authorized to detach this Introduction from this Official Statement or to otherwise use it without the entire Official Statement including the appendices attached hereto.

Authorization for the Series 2016 Subordinated Bonds

The Series 2016 Subordinated Bonds are the first series of Priority Subordinated Indebtedness issued under and pursuant to the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the "Master Subordinated Indenture") as supplemented by that certain First Supplemental Subordinated Indenture of Trust dated as of July 1, 2016 (the "First Supplemental Indenture" and, together with the Master Subordinated Indenture, the "Subordinated Indenture"), each by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Master Subordinated Indenture. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

The Authority and the Airport System

The Authority was established as an agency of the City pursuant to Chapter 57-1658, Special Laws of Florida 1957 which was subsequently repealed, recodified and amended by Chapter 98-492, Special Laws of Florida 1998, as amended (the "Act"). The Airport is owned by the City. Pursuant to an Amended and Restated Operation and Use Agreement dated August 31, 2015 by and between the City and the Authority (the "Transfer Agreement"), the City has transferred to the Authority custody, control and management of the Airport for a term that will expire on September 30, 2065, subject to early termination under certain conditions, unless extended by the City and the Authority.

The Authority operates the Airport System for the accommodation of air commerce and transportation. The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of Subordinated Obligations (including the Series 2016 Subordinated Bonds) or the interest or premium, if any, thereon. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM" herein.

The Authority is governed by a seven-member board (the "Board"). Five members are appointed by the Governor of the State of Florida (the "State"), subject to confirmation by the State Senate, one member is the Mayor of the City and one member is the Mayor of Orange County, Florida. One of the five members of the Board appointed by the Governor must be a resident of Osceola County, Florida. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Authority Governing Board and Management" herein.

Purpose of the Series 2016 Subordinated Bonds

The Series 2016 Subordinated Bonds are being issued for the purpose of providing funds sufficient, together with other legally available funds of the Authority, to: (a) refinance certain draws on one or more of the Existing Lines of Credit (as defined herein) previously used to (i) refund the Series 1997 Subordinated Bonds (as defined herein) and (ii) make certain termination payments in connection with a related swap, (b) make a deposit to the Pooled Subordinated Reserve Account (as defined herein) in an amount equal to the Pooled Subordinated Reserve Account Requirement (as defined herein), and (c) pay certain costs of issuance related to the Series 2016 Subordinated Bonds. See "PLAN OF REFINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" herein.

Description of the Series 2016 Subordinated Bonds

The Series 2016 Subordinated Bonds are being issued solely as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the Series 2016 Subordinated Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2016 Subordinated Bonds

will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on October 1, 2016. Purchasers of beneficial interests in the Series 2016 Subordinated Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2016 Subordinated Bonds will be effected through the DTC book-entry system as described herein. The Series 2016 Subordinated Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal, interest, and premium, if any, with respect to the Series 2016 Subordinated Bonds will be payable by U.S. Bank National Association, as paying agent for the Series 2016 Subordinated Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2016 Subordinated Bonds are not subject to redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2016 SUBORDINATED BONDS - Redemption Provisions" herein.

Security for the Series 2016 Subordinated Bonds

The Series 2016 Subordinated Bonds: (a) constitute "Subordinated Indebtedness" as defined in and authorized under the Airport Facilities Revenue Bond Resolution, originally adopted by the Board, on June 13, 1978, as supplemented and amended from time to time, and as codified on September 17, 2008, and as amended and restated on June 24, 2015 and effective July 31, 2015 (collectively, the "Senior Bond Resolution"), (b) are subordinate to bonds issued pursuant to the Senior Bond Resolution (the "Senior Bonds") as to the pledge of, lien on and source of payment from Revenues, and (c) are on parity with Outstanding Other Parity Indebtedness as to the pledge of, lien on and source of payment from Pledged Subordinated Revenues.

On September 16, 2015, the Board adopted the Amended and Restated Bond Resolution (the "Proposed Amended and Restated Bond Resolution") approving certain amendments to the Senior Bond Resolution (the "Consent Amendments") which will not become effective until the Consent Effective Date (as defined herein). See "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto and "CONSENT AMENDMENTS" herein for more information regarding the Consent Amendments and the timing of the Consent Effective Date.

Pursuant to the Master Subordinated Indenture, Priority Subordinated Indebtedness, including the Outstanding Other Parity Indebtedness, and the Series 2016 Subordinated Bonds, and the interest and premium, if any, thereon are payable solely from and secured by a pledge of, and lien on the Pledged Subordinated Revenues. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" and "AUTHORITY INDEBTEDNESS" herein.

In accordance with and subject to the terms of and conditions of the Master Subordinated Indenture, Additional Subordinated Obligations constituting Priority Subordinated Indebtedness, may be issued under the Master Subordinated Indenture, and the Series 2016 Subordinated Bonds will be on parity with any such additional Priority Subordinated Indebtedness as to the pledge of, lien on and source of payment from Pledged Subordinated Revenues. In accordance with and subject to the terms of and conditions of the Master Subordinated Indenture, after the Consent Effective Date, Additional Subordinated Obligations constituting Secondary

Subordinated Indebtedness, may be issued under the Master Subordinated Indenture. The Series 2016 Subordinated Bonds will be senior to any such Secondary Subordinated Indebtedness as to the pledge of, lien on and source of payment from Pledged Subordinated Revenues. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" and "AUTHORITY INDEBTEDNESS" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

The Authority currently has \$947 million in aggregate principal amount of Senior Bonds outstanding under the Senior Bond Resolution and has authorized \$602.7 million in aggregate principal amount of Other Parity Indebtedness, including \$550 million of authorized Existing Lines of Credit, \$205 million of which is drawn and outstanding under the Existing Lines of Credit as of the date hereof and \$89,995,000 of which will be repaid upon the issuance of the Series 2016 Subordinated Bonds. See "PLAN OF REFINANCE" herein. On March 16, 2016 the Authority approved its 2016 - 2023 Capital Improvement Program (as defined herein) and expects to issue additional Senior Bonds and Additional Subordinated Obligations to provide funding for portions of the 2016 - 2023 Capital Improvement Program. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS," "AUTHORITY INDEBTEDNESS," "CAPITAL IMPROVEMENT PROGRAM" and "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Cost and Schedule of the 2016 - 2023 Capital Improvement Program" herein.

THE SERIES 2016 SUBORDINATED BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF PLEDGED SUBORDINATED REVENUES DERIVED BY THE AUTHORITY FROM THE OPERATIONS OF THE AIRPORT SYSTEM, THE PROCEEDS OF OUTSTANDING PRIORITY SUBORDINATED INDEBTEDNESS HELD BY THE TRUSTEE, AND CERTAIN FUNDS AND ACCOUNTS HELD BY THE TRUSTEE. PAYMENT OF THE SERIES 2016 SUBORDINATED BONDS IS SUBORDINATED TO PAYMENT OF THE SENIOR BONDS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE HOLDERS OF THE SERIES 2016 SUBORDINATED BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER, IF ANY, OF THE AUTHORITY, THE CITY, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2016 SUBORDINATED BONDS. THE AUTHORITY HAS NO TAXING POWER.

Rate Resolution and Revenue Sharing Agreements

On October 16, 2013, the Authority adopted its Resolution relating to Airline Rates and Charges and Airline Operating Terms and Conditions for the Use of Facilities and Services at Orlando International Airport (the "Rate Resolution"), which applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal (as such terms are defined in the Rate Resolution) at the Airport. The Rate Resolution provides for the payment of fees and charges by such Airlines as more fully described herein and became effective on November 1, 2013. Certain Airlines have executed Rate and Revenue Sharing Agreements (the "Revenue Sharing Agreements") with the Authority and, by virtue of being a party to an effective Revenue Sharing

Agreement, are eligible to receive a share of certain Authority revenues. The Rate Resolution has no expiration date and may be amended at any time by the Authority as it deems necessary or appropriate. The Revenue Sharing Agreements expire on September 30, 2016. The Authority is currently negotiating new Revenue Sharing Agreements for Fiscal Years 2017 through 2019. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" and "INFORMATION CONCERNING CERTAIN FUNDING SOURCES" herein for more information regarding the Rate Resolution and its impact on Revenues. A copy of the Rate Resolution and the form of Revenue Sharing Agreement are attached hereto as Appendix D.

Continuing Disclosure

In order to assist the Underwriters (as defined herein) in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission ("SEC") promulgated pursuant to the Securities Exchange Act of 1934, as in effect on the date hereof (the "Rule"), simultaneously with the issuance of the Series 2016 Subordinated Bonds, the Authority will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") with Digital Assurance Certification, L.L.C. ("DAC"). See "CONTINUING DISCLOSURE" herein and "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto for more information regarding the Continuing Disclosure Agreement and the information to be provided.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement contains brief descriptions of, among other matters, the Authority, the Airport System, the Series 2016 Subordinated Bonds, and the security and sources of payment for the Series 2016 Subordinated Bonds. The form of the Master Subordinated Indenture, excerpts of the Senior Bond Resolution and a summary of the Consent Amendments are attached hereto as Appendices A, B and C, respectively.

References to such documents are qualified in their entirety to the copies and forms thereof. Summaries of the Act and various constitutional provisions, statutes, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents. To the extent not provided as an appendix hereto, copies of the Act and other documents referred to herein may be obtained upon written request and payment of any applicable charge for copying, mailing and handling, from the Office of the Chief Financial Officer, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399.

PLAN OF REFINANCE

The Authority previously issued its Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997 (the "Series 1997 Subordinated Bonds") for the purpose of providing funds for a portion of the costs of acquiring and constructing various improvements at the Airport. Simultaneously with the issuance of the Series 1997 Subordinated Bonds, the Authority entered into an interest rate swap agreement to exchange the variable interest rate on the Series 1997 Subordinated Bonds to a fixed rate of interest.

In August 2015, the Authority used proceeds from a draw under one or more of its Existing Lines of Credit and other available funds to redeem the Series 1997 Subordinated Bonds and terminate the related interest rate swap agreement. The Authority will use the proceeds of the Series 2016 Subordinated Bonds, together with other legally available funds of the Authority to: (a) refinance certain draws on one or more of the Existing Lines of Credit previously used to (i) refund the Series 1997 Subordinated Bonds and (ii) make certain termination payments in connection with a related swap, (b) make a deposit to the Pooled Subordinated Reserve Account in an amount equal to the Pooled Subordinated Reserve Account Requirement, and (c) pay certain costs of issuance related to the Series 2016 Subordinated Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2016 Subordinated Bonds are expected to be applied as follows:

Sources:

Par Amount of Series 2016 Subordinated Bonds	\$76,930,000.00
Plus Bond Premium	11,930,200.90
Other legally available funds of the Authority	9,704,000.00
Total Sources	<u>\$98,564,200.90</u>

Uses:

Payment of Existing Lines of Credit	\$89,995,000.00
Deposit to the Pooled Subordinated Reserve Account	7,693,000.00
Costs of Issuance ⁽¹⁾	876,200.90
Total Uses	<u>\$98,564,200.90</u>

⁽¹⁾ Includes, among other things, Underwriters' discount, and legal, financial and administrative expenses with respect to the Series 2016 Subordinated Bonds.

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DESCRIPTION OF THE SERIES 2016 SUBORDINATED BONDS

General

The Series 2016 Subordinated Bonds are being issued solely as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of DTC. Individual purchases of beneficial interests in the Series 2016 Subordinated Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2016 Subordinated Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on October 1, 2016. Purchasers of beneficial interests in the Series 2016 Subordinated Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2016 Subordinated Bonds will be effected through the DTC book-entry system as described herein. While the Series 2016 Subordinated Bonds are registered in the name of Cede & Co. under DTC's book-entry system, principal and interest payments will be made to Cede & Co. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Authority has appointed the Trustee as the initial Bond Registrar and Paying Agent. The principal of the Series 2016 Subordinated Bonds shall be payable, when due, at any place which may be provided for such payment by the Paying Agent or Paying Agents as permitted by the Master Subordinated Indenture. Interest on the Series 2016 Subordinated Bonds shall be paid by check or draft drawn upon the Paying Agent and mailed to the registered owners of the Series 2016 Subordinated Bonds at the addresses as they appear on the registration books maintained by the Trustee, as Bond Registrar, at the close of business on the 15th day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Series 2016 Subordinated Bonds subsequent to such Record Date and prior to such interest payment date, unless the Authority shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names such Series 2016 Subordinated Bonds are registered at the close of business on a special record date for the payment of such defaulted interest as established by notice deposited in the U.S. mails, postage prepaid, by the Trustee to the registered owners of such Series 2016 Subordinated Bonds not less than fifteen days preceding such special record date. Such notice shall be mailed to the persons in whose names the Series 2016 Subordinated Bonds are registered at the close of business on the fifth day (whether or not a business day) preceding the date of mailing.

If the date for payment of the principal of, premium, if any, or interest on the Series 2016 Subordinated Bonds is not a Business Day, then the date for such payment shall be the next succeeding Business Day and payment on such day shall have the same force and effect as if made on the nominal date of payment, without accrual of additional interest.

The First Supplemental Indenture provides that a Holder of \$1,000,000 or more in principal amount of Series 2016 Subordinated Bonds may receive payment of principal and interest with respect to Series 2016 Subordinated Bonds by wire transfer in immediately available funds on the applicable payment date by submitting a written request (a) in the case of principal, to the Trustee or Paying Agent with the presentation or surrender of the Series 2016 Subordinated Bonds to be paid, and (b) in the case of interest, to the Trustee, as Bond Registrar, at least 15 Business Days prior to the applicable Record Date, specifying the account number,

address and other relevant information as may be reasonably required by the Trustee. In the case of interest, the notice may provide that it will remain in effect for later interest payments until changed or revoked by another written notice. Each payment of interest, principal and premium, if any, whether by check or by wire transfer shall include or be accompanied with a statement of the CUSIP number and amount of the payment pertaining to each CUSIP number (if more than one CUSIP number).

Redemption Provisions

The Series 2016 Subordinated Bonds are **not** subject to redemption prior to their maturity.

Registration and Exchange

The City, the Authority, the Bond Registrar, and the Paying Agent may deem and treat the registered owner of any Series 2016 Subordinated Bond as the absolute owner of such Series 2016 Subordinated Bond for the purpose of receiving payment of the principal thereof and the interest thereon. The Series 2016 Subordinated Bonds are being issued solely as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of DTC. Transfers of beneficial interests in the Series 2016 Subordinated Bonds will be effected through the DTC book-entry system as described herein. See "BOOK-ENTRY ONLY SYSTEM" herein.

The registration of the Series 2016 Subordinated Bonds may be transferred upon the registration books as provided in the Master Subordinated Indenture. So long as the Series 2016 Subordinated Bonds are issued solely in fully registered form and notwithstanding anything contained in the Master Subordinated Indenture to the contrary, the provisions of the Subordinated Indenture with respect to the interchangeability of registered bonds for coupon bonds will not be applicable to the Series 2016 Subordinated Bonds. See "BOOK-ENTRY ONLY SYSTEM."

Except as otherwise provided in the Master Subordinated Indenture, neither the Authority nor the Bond Registrar shall be required to register the transfer of any Series 2016 Subordinated Bond during the fifteen (15) days next preceding an interest payment date on the Series 2016 Subordinated Bonds. The Bond Registrar or the Authority may charge the Holders of such Series 2016 Subordinated Bonds for the registration of every such transfer of such Series 2016 Subordinated Bonds in an amount sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid, except for any such governmental charge imposed by the Authority or the City, with respect to the registration of such transfer, and may require that such amounts be paid before any such new Series 2016 Subordinated Bonds shall be delivered.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC, and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2016 Subordinated Bonds. The Series 2016 Subordinated Bonds will be issued solely as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2016 Subordinated Bond certificate will be issued for each maturity of the Series 2016 Subordinated Bonds and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The DTC rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2016 Subordinated Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016 Subordinated Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2016 Subordinated Bond (each a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant (collectively, "Participants") through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2016 Subordinated Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2016 Subordinated Bonds, except in the event that use of the book-entry system for the Series 2016 Subordinated Bonds is discontinued.

To facilitate subsequent transfers, all Series 2016 Subordinated Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The

deposit of the Series 2016 Subordinated Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2016 Subordinated Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016 Subordinated Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2016 Subordinated Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2016 Subordinated Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2016 Subordinated Bond documents. For example, Beneficial Owners of Series 2016 Subordinated Bonds may wish to ascertain that the nominee holding the Series 2016 Subordinated Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2016 Subordinated Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2016 Subordinated Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2016 Subordinated Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2016 Subordinated Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent on a payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Series 2016 Subordinated Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2016 Subordinated Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2016 Subordinated Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC upon compliance with any applicable DTC rules and procedures. In that event, Series 2016 Subordinated Bond certificates will be printed and delivered to DTC.

The Authority, the City, and the Paying Agent and Bond Registrar do not have any responsibility or obligation to the Direct Participants, Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (b) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the Series 2016 Subordinated Bonds; (c) the delivery or timeliness of delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner, which is required or permitted under the terms of the Subordinated Indenture to be given to Bondholders; or (d) any consent given or other action taken by DTC, or its nominee, Cede & Co., as Bondholders.

CONSENT AMENDMENTS

On September 16, 2015, the Board adopted the Proposed Amended and Restated Bond Resolution which approved the Consent Amendments. The Consent Amendments shall not become effective until: (a) the Authority receives the written consent thereto of the Holders of at least a majority of the principal amount of the Senior Bonds then Outstanding; (b) the Authority receives consent or approval of any other entities which have been provided such right, including bond insurance providers; and (c) the Authority is in compliance with certain relevant provisions of Articles X and XI of the Senior Bond Resolution (the "Consent Effective Date"). See "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto for a summary of the Consent Amendments.

As of the date of this Official Statement, the Authority has received written consent from the Holders of \$214,450,000 in principal amount of Senior Bonds to the Consent Amendments, which is 23% of the \$947,000,000 of the Senior Bonds Outstanding. The Authority currently anticipates receiving the consent of the requisite percentage of the Holders to the Consent Amendments during Fiscal Year 2018 and accordingly, the Consent Effective Date is forecast to occur in such Fiscal Year. However, it is not possible to predict the actual timing for receipt of the consent of the requisite percentage of the Holders, which could occur earlier than or subsequent to the currently anticipated timing.

SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS

Brief descriptions of the source of payment of the Series 2016 Subordinated Bonds, the flow of funds under the Subordinated Indenture, the Authority's rate covenant set forth in the

Master Subordinated Indenture and certain other provisions of the Subordinated Indenture and the Senior Bond Resolution are provided herein. The descriptions provided herein are qualified in their entirety by the applicable provisions of the Senior Bond Resolution and the Subordinated Indenture. The form of the Master Subordinated Indenture and excerpts of the Senior Bond Resolution are attached hereto as Appendix A and Appendix B, respectively. Capitalized terms used in this section and not otherwise defined shall the meaning set forth in the Master Subordinated Indenture.

General

The Series 2016 Subordinated Bonds: (a) constitute "Subordinated Indebtedness" defined in, and authorized under, the Senior Bond Resolution, (b) are subordinate to the Senior Bonds as to the pledge of, lien on and source of payment from Revenues, and (c) as of the date of this Official Statement are on parity with Outstanding Other Parity Indebtedness as to the pledge of, lien on and source of payment from Pledged Subordinated Revenues.

Pursuant to the Master Subordinated Indenture, Priority Subordinated Indebtedness, including Outstanding Other Parity Indebtedness, and the Series 2016 Subordinated Bonds, and the interest and premium, if any, thereon are payable solely from and secured by a pledge of, and lien on the Pledged Subordinated Revenues. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Pledged Subordinated Revenues" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto.

The Authority currently has \$947 million in aggregate principal amount of Senior Bonds outstanding under the Senior Bond Resolution and has authorized \$602.7 million in aggregate principal amount of Other Parity Indebtedness, including \$550 million of authorized Existing Lines of Credit, \$205 million of which is drawn and outstanding under the Existing Lines of Credit as of the date hereof and \$89,995,000 of which will be repaid upon the issuance of the Series 2016 Subordinated Bonds. See "PLAN OF REFINANCE" herein. On March 16, 2016 the Authority approved its 2016 - 2023 Capital Improvement Program (as defined herein) and expects to issue additional Senior Bonds and Additional Subordinated Obligations to provide funding for portions of the 2016 - 2023 Capital Improvement Program. See "- Limitations on Additional Authority Indebtedness," "AUTHORITY INDEBTEDNESS," "CAPITAL IMPROVEMENT PROGRAM" and "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Cost and Schedule of the 2016 - 2023 Capital Improvement Program" herein.

Subordinated Indebtedness under Senior Bond Resolution. The Series 2016 Subordinated Bonds are subordinate as to the pledge of, lien on, and source of payment from Revenues to the Senior Bonds issued and outstanding under the Senior Bond Resolution. See "AUTHORITY INDEBTEDNESS - Outstanding Senior Bonds" herein for a description of Senior Bonds currently outstanding under the Senior Bond Resolution. Also see "- Limitations on Additional Authority Indebtedness - *Senior Bonds*" below for the terms upon which the Authority may issue additional Senior Bonds to which the Series 2016 Subordinated Bonds would be subordinated and "CAPITAL IMPROVEMENT PROGRAM" herein for the Authority's current plans to issue additional Senior Bonds in the future.

The Series 2016 Subordinated Bonds are not issued under the Senior Bond Resolution but constitute Subordinated Indebtedness for purposes thereof. The Series 2016 Subordinated Bonds are issued under the Master Subordinated Indenture. See the flow of funds diagrams under " - Application of Revenues" herein for a description of the level of funding from Net Revenues for Priority Subordinated Indebtedness under the Senior Bond Resolution. The Authority has covenanted not to issue any Subordinated Indebtedness pursuant to any instrument other than the Master Subordinated Indenture so long as the Master Subordinated Indenture has not been defeased or amended to provide that no additional Subordinated Obligations shall be issued thereunder.

Priority Subordinated Indebtedness under Master Subordinated Indenture. Pursuant to the Master Subordinated Indenture, obligations may be issued as either Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness. Priority Subordinated Indebtedness is subordinate to the Senior Bonds. Secondary Subordinated Indebtedness is subordinate to the Senior Bonds and to the Priority Subordinated Indebtedness. Pursuant to the Master Subordinated Indenture, the Series 2016 Subordinated Bonds: (a) constitute Priority Subordinated Indebtedness, (b) are on a parity with Additional Subordinated Obligations hereafter issued under the Master Subordinated Indenture that constitute Priority Subordinated Indebtedness, and (c) until the Consent Effective Date, are on parity with all of the outstanding Other Parity Indebtedness as to pledge of, lien on and source of payment from Pledged Subordinated Revenues.

The Series 2016 Subordinated Bonds are the first series of Priority Subordinated Indebtedness issued under the Master Subordinated Indenture. However, the Other Parity Indebtedness described below has been issued by the Authority under other financing instruments and is on a parity with the Series 2016 Subordinated Bonds. See "AUTHORITY INDEBTEDNESS - Outstanding Subordinated Obligations" herein for a description of the currently outstanding Other Parity Indebtedness and the instruments pursuant to which such debt has been incurred by the Authority. See also, " - Limitations on Additional Authority Indebtedness - Subordinated Bonds" below for the terms upon which the Authority may issue additional Priority Subordinated Indebtedness and "CAPITAL IMPROVEMENT PROGRAM" herein for the Authority's current plans to issue additional Priority Subordinated Indebtedness in the future.

Secondary Subordinated Indebtedness under Master Subordinated Indenture. The Authority currently has no Secondary Subordinated Indebtedness outstanding under the Master Subordinated Indenture and will not issue any Secondary Subordinated Indebtedness thereunder prior to the Consent Effective Date. After the Consent Effective Date, the Existing Lines of Credit will become Secondary Subordinated Indebtedness and will be junior as to the pledge of, lien on, and source of payment from, Pledged Subordinated Revenues, to the Series 2016 Subordinated Bonds and any other Priority Subordinated Indebtedness hereafter issued. On the Consent Effective Date, however, the FDOT Indebtedness will remain Priority Subordinated Indebtedness on a parity with the Series 2016 Subordinated Bonds.

Other Parity Indebtedness. Other Parity Indebtedness currently outstanding has been issued pursuant to various debt instruments and is subordinate to the Senior Bonds. Such Other Parity Indebtedness is on a parity with Priority Subordinated Indebtedness issued under the

Master Subordinated Indenture, including the Series 2016 Subordinated Bonds, until after the Consent Effective Date, at which time the Existing Lines of Credit will become Secondary Subordinated Indebtedness and will be subordinate to the Priority Subordinated Indebtedness, including the Series 2016 Subordinated Bonds. See "AUTHORITY INDEBTEDNESS - Outstanding Subordinated Obligations" herein for a description of the Existing Lines of Credit and FDOT Indebtedness that constitute Other Parity Indebtedness and for a description of the maximum amount of Other Parity Indebtedness that may be incurred by the Authority on a parity with the Series 2016 Subordinated Bonds. See also "CONSENT AMENDMENTS" herein for a description of the anticipated Consent Effective Date.

Pledged Subordinated Revenues

The Series 2016 Subordinated Bonds are secured by and payable from Pledged Subordinated Revenues. Under the Master Subordinated Indenture, the term "Pledged Subordinated Revenues" includes:

- the Available Net Revenues, which consist of all Revenues of the Authority remaining after all deposit requirements in clauses (1), (2) and (3) of Section 405.1 of the Senior Bond Resolution (providing for payment of the Authority's operation and maintenance expenses, debt service on the Senior Bonds and funding the debt service reserve fund for the Senior Bonds) have been satisfied;
- all moneys and investments on deposit in the funds and accounts created under the Master Subordinated Indenture (other than the Secondary Subordinated Debt Service Fund, the Secondary Subordinated Debt Service Reserve Fund and the Rebate Fund) and, to the extent provided in the Master Subordinated Indenture and after provision for deficiencies in the accounts for the Outstanding Senior Bonds as provided in the Senior Bond Resolution, any remaining amounts in the Discretionary Fund available for the purpose of paying Subordinated Obligations as provided in Section 411 of the Senior Bond Resolution; and
- any other revenues or, on and after the Consent Effective Date, Available Revenues (which may consist of PFCs, CFCs or other revenues not subject to the pledge under the Senior Bond Resolution) pledged by the Authority to the payment of the Priority Subordinated Indebtedness by a Supplemental Subordinated Indenture or by an Issuing Instrument; provided, however, that moneys in an account of the Priority Subordinated Debt Service Reserve Fund shall secure only the Series of Priority Subordinated Indebtedness designated by the Issuing Instrument to be secured by such account. See "- Pooled Subordinated Reserve Account" and "- Limitations on Additional Authority Indebtedness" below, and "AUTHORITY INDEBTEDNESS - Senior Bonds" herein.

See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Application of Revenues" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

For a summary of the Consent Amendments which include, among other things, changes to the definition of "Revenues," see "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto.

Pledge of Other Available Revenues to Additional Subordinated Indebtedness

Under the Master Subordinated Indenture, the Authority may pledge or irrevocably commit PFC Revenues, prior to the Consent Effective Date, or other "Available Revenues," after the Consent Effective Date, not pledged to secure one or more Series of Senior Bonds, if and to the extent provided in the Issuing Instrument or a Supplemental Subordinated Indenture with respect to a Series of additional Subordinated Obligations. In such event, Pledged Subordinated Revenues with respect to such Series of Subordinated Obligations may include certain revenues not available for the payment of the Series 2016 Subordinated Bonds. Such revenues could include Available PFC Revenues, Available CFC Revenues or other sources of revenue. See "- Limitations on Additional Authority Indebtedness - *Subordinated Obligations*" below for a description of how Available Revenues may be taken into account for purposes of calculation of the Aggregate Annual Subordinated Debt Service in satisfying the test for issuance of additional Priority Subordinated Obligations and potential effects on debt service coverage.

Pooled Subordinated Reserve Account

The Master Subordinated Indenture establishes a Priority Subordinated Debt Service Reserve Fund which may include such reserve accounts as are established by the Authority with respect to one or more Series of Priority Subordinated Indebtedness. The "Pooled Subordinated Reserve Account" is established by the Master Subordinated Indenture within the Priority Subordinated Debt Service Reserve Fund. The Series 2016 Subordinated Bonds are secured by the Pooled Subordinated Reserve Account pursuant to the First Supplemental Indenture. An amount equal to the Pooled Subordinated Reserve Account Requirement is required to be maintained in the Pooled Subordinated Reserve Account. The Pooled Subordinated Reserve Account may also secure additional Priority Subordinated Indebtedness designated to be secured by the Pooled Subordinated Reserve Account pursuant to the Issuing Instrument for such Priority Subordinated Indebtedness. If Additional Subordinated Obligations constituting Priority Subordinated Indebtedness are hereafter issued and secured by the Pooled Subordinated Reserve Account, the amount on deposit in the Pooled Subordinated Reserve Account immediately after the issuance of such additional Priority Subordinated Indebtedness shall be increased to equal the amount of the Pooled Reserve Account Requirement, taking into account the issuance of such Additional Subordinated Obligations. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Any additional reserve accounts established in the Priority Subordinated Debt Service Reserve Fund to secure a particular Series of Priority Subordinated Indebtedness shall secure only those Series of Priority Subordinated Indebtedness designated to be secured by each such account. As of the date of this Official Statement, the Pooled Subordinated Reserve Account secures all of the Series 2016 Subordinated Bonds and no other Series of Priority Subordinated Indebtedness is secured by the Pooled Subordinated Reserve Account or another separate account within the Priority Subordinated Debt Service Reserve Fund. See

"APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

The "Pooled Subordinated Reserve Account Requirement" is equal to the lesser of the following: (x) ten percent of the aggregate Outstanding principal amount, from time to time, of each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account; (y) the maximum aggregate annual principal of and interest on each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account for any Fiscal Year; and (z) 125% of the average annual principal and interest requirements on each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account. Pursuant to the Subordinated Indenture, the Authority has elected to initially fully fund the Pooled Subordinated Reserve Account Requirement with respect to the Series 2016 Subordinated Bonds by depositing \$7,693,000.00 of proceeds of the Series 2016 Subordinated Bonds into the Pooled Subordinated Reserve Account upon the issuance of the Series 2016 Subordinated Bonds.

Under the Master Subordinated Indenture, the Authority is not required to fully fund an account in a Subordinated Debt Service Reserve Fund at the time of issuance of a Series of Subordinated Obligations secured by such account under the Master Subordinated Indenture, if the Authority elects, by the Issuing Instrument authorizing issuance of such Series of Subordinated Obligations, to fully fund the applicable account in such Subordinated Debt Service Reserve Fund over a period specified in such Issuing Instrument, not to exceed sixty months, commencing with the next succeeding Fiscal Year of the Authority, during which period the Authority shall make substantially equal monthly installments in order that the amounts on deposit therein at the end of such period shall equal the applicable Reserve Requirement for such Series of Subordinated Obligations. However, the foregoing authority to fund an account within the Subordinated Debt Service Reserve Fund over time is not applicable to the Pooled Subordinated Reserve Account, which must be fully funded upon the issuance of each Series of Priority Subordinated Indebtedness secured by such account. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Under the Master Subordinated Indenture, if authorized by the Issuing Instrument pursuant to which a Series of Subordinated Obligations are issued, the Authority may, in lieu of making a cash deposit to the account in the applicable Subordinated Debt Service Reserve Fund securing such Series of Subordinated Obligations, deliver to the Trustee a Reserve Fund Credit Enhancement in an amount which, together with any moneys, securities or other Reserve Fund Credit Enhancements on deposit in or credited to such account, equals or exceeds the applicable Reserve Requirement with respect such Series of Subordinated Obligations. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

If, on the final Business Day of any month, the amount in the Series 2016 Debt Service Account, or any corresponding Debt Service Account with respect to another Series of Priority Subordinated Indebtedness hereafter designated to be secured by the Pooled Subordinated Reserve Account, is less than the amount required to be in such account pursuant to the Subordinated Indenture, then the Trustee shall apply amounts from the Pooled Subordinated

Reserve Account to the extent necessary to cure the deficiency. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

If funds (other than accrued interest, which shall be deposited in the Revenue Fund) on deposit in the Pooled Subordinated Reserve Account exceed the Pooled Subordinated Reserve Account Requirement, then the excess funds shall be transferred by the Trustee to the Discretionary Fund and applied in accordance with the Senior Bond Resolution. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

If Additional Subordinated Obligations constituting Priority Subordinated Indebtedness are hereafter issued and secured by the Pooled Subordinated Reserve Account, the amount on deposit in the Pooled Subordinated Reserve Account immediately after the issuance of such additional Priority Subordinated Indebtedness shall be increased to equal the amount of the Pooled Subordinated Reserve Account Requirement, taking into account the issuance of such Additional Subordinated Obligations. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Flow of Funds under the Master Subordinated Indenture

The Master Subordinated Indenture requires that the Authority deposit or cause to be deposited into the Subordinated Revenue Fund sufficient Pledged Subordinated Revenues to make the deposits generally described below. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Pledged Subordinated Revenues" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Prior to the Consent Effective Date, the Authority is required to deposit into the Subordinated Revenue Fund sufficient Pledged Subordinated Revenues to make the deposits described in (a) and (b) below:

(a) First, into the Priority Subordinated Debt Service Fund and then pro rata by deposit into the Debt Service Accounts for each Series of Priority Subordinated Indebtedness an amount which, together with other amounts deposited therein as described below, equals (i) 1/6th of the interest maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments on the Priority Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," due on the next semiannual interest payment date with respect to Priority Subordinated Indebtedness that bears interest payable semiannually, (ii) the amount of interest next maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments on the Priority Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," due on Priority Subordinated Indebtedness that bear interest payable monthly and the amount of interest accruing in such month on Priority Subordinated Indebtedness that bears interest payable on other than a monthly or semiannual basis (other than

Capital Appreciation Subordinated Obligations), (iii) 1/12th of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable during the current Fiscal Year on the various Series of Priority Subordinated Indebtedness that are Serial Bonds that mature annually, and 1/6th of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable on the next maturity date in such Fiscal Year on the various Series of Priority Subordinated Indebtedness that are Serial Bonds that mature semiannually, and (iv) 1/12th of the sum of Amortization Installments and the unamortized principal balances of the Term Bonds coming due in the current Fiscal Year plus, with respect to Capital Appreciation Subordinated Obligations, accreted interest, and any redemption premium payable with respect thereto, coming due during the current Fiscal Year with respect to any Series of Priority Subordinated Indebtedness that are Term Bonds, until there are sufficient funds then on deposit in the Debt Service Account for each Series of Priority Subordinated Indebtedness equal to the principal, interest, redemption payments and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) due on the Priority Subordinated Indebtedness on the next principal, interest and redemption dates, respectively, in such Fiscal Year.

Deposits shall be increased or decreased to the extent required to pay principal, premium, if any, interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) on the Priority Subordinated Indebtedness coming due, after making allowance for any accrued and Capitalized Interest and taking into account deficiencies in prior months' deposits. Additionally, unless the Authority shall establish a different procedure for the payment or deposit of monthly interest on Variable Rate Indebtedness, there shall be deposited into the applicable Debt Service Account in lieu of the monthly interest deposit described above, the interest accruing on such Priority Subordinated Indebtedness for such month (plus any deficiencies in interest deposits for the preceding month), assuming the interest rate thereon on the 15th day of such month will continue through the end of such month. On or before each interest payment date, the Authority shall make up any deficiencies in such interest deposit based on the actual interest accruing through such date.

Notwithstanding the foregoing deposit requirements, for any interest period of less than six months, the Authority shall make monthly deposits into the applicable Debt Service Account in amounts that will be sufficient to amortize interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) next coming due on the Priority Subordinated Indebtedness on the next interest payment date in substantially equal monthly installments.

(b) Next, by deposit pro rata to the appropriate accounts in the Priority Subordinated Debt Service Reserve Fund with respect to each Series of Priority Subordinated Indebtedness designated by an Issuing Instrument to be secured by an account therein, until the amounts in such account equal the Reserve Requirement (if any) for each applicable Series of Priority Subordinated Indebtedness, or the portion thereof that is required as of such date to be funded if the Authority has elected to fund the Reserve Requirement in installments pursuant to the terms of the Master Subordinated Indenture.

On and after the Consent Effective Date, after making the deposits described in (a) and (b) above, the Authority shall deposit into the Subordinated Revenue Fund sufficient Pledged Secondary Subordinated Revenues to make the deposits in paragraphs (c) and (d) below.

(c) Next, into the Secondary Subordinated Debt Service Fund and then pro rata by deposit into the Debt Service Account for each Series of Secondary Subordinated Indebtedness an amount which, together with other amounts deposited therein as described below, equals (i) $1/6^{\text{th}}$ of the interest maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments due on the Secondary Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," on the next semiannual interest payment date with respect to Secondary Subordinated Indebtedness that bears interest payable semiannually, (ii) the amount of interest next maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments due on Secondary Subordinated Indebtedness that bears interest payable monthly and the amount of interest accruing in such month on Secondary Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," that bears interest payable on other than a monthly or semiannual basis (other than Capital Appreciation Subordinated Obligations), (iii) $1/12^{\text{th}}$ of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable during the current Fiscal Year on the various Series of Secondary Subordinated Indebtedness that are Serial Bonds that mature annually, and $1/6^{\text{th}}$ of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable on the next maturity date in such Fiscal Year on the various Series of Secondary Subordinated Indebtedness that are Serial Bonds that mature semiannually, and (iv) $1/12^{\text{th}}$ of the sum of Amortization Installments and the unamortized principal balances of the Secondary Subordinated Indebtedness that are Term Bonds coming due in the current Fiscal Year plus, with respect to Capital Appreciation Subordinated Obligations, accreted interest, and any redemption premium payable with respect thereto, coming due during the current Fiscal Year with respect to the various Series of Secondary Subordinated Indebtedness that are Term Bonds, until there are sufficient funds then on deposit in the Debt Service Account for each Series of Secondary Subordinated Indebtedness equal to the principal, interest, redemption and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) due on the Secondary Subordinated Indebtedness on the next principal, interest and redemption dates, respectively, in such Fiscal Year.

Deposits shall be increased or decreased to the extent required to pay principal, premium, if any, interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) on the Secondary Subordinated Indebtedness coming due, after making allowance for any accrued and capitalized interest and taking into account deficiencies in prior months' deposits. Additionally, unless the Authority shall establish a different procedure for the payment or deposit of monthly interest on Variable Rate Indebtedness, there shall be deposited into the applicable Debt Service Account in lieu of the monthly interest deposit described above, the interest accruing on such Secondary Subordinated Indebtedness for such month (plus any deficiencies in interest deposits for the preceding month), assuming the interest rate thereon on the 15th day of such month will continue through the end of such month. On or before each interest payment date, the Authority shall make up any deficiencies in such interest deposit based on the actual interest accruing through such date.

Notwithstanding the foregoing deposit requirements, for any interest period of less than six months, the Authority shall make monthly deposits into the applicable Debt Service Account in amounts that will be sufficient to amortize interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) next coming due on the Secondary Subordinated Indebtedness on the next interest payment date in substantially equal monthly installments.

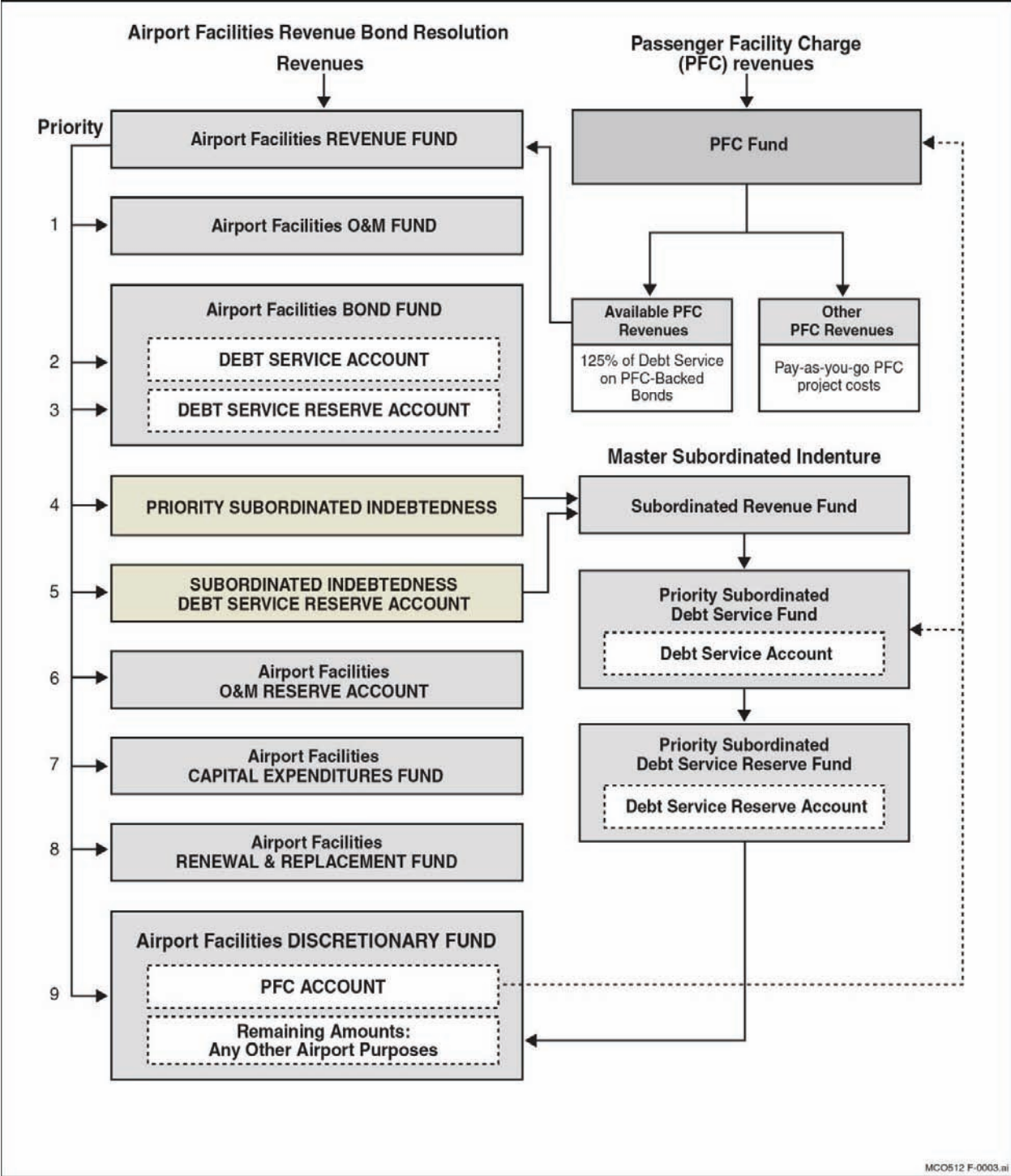
(d) Next, by deposit pro rata to the appropriate accounts in the Secondary Subordinated Debt Service Reserve Fund with respect to each series of Secondary Subordinated Indebtedness designated by an Issuing Instrument to be secured by an account therein, until the amounts in such account equal the Reserve Requirement (if any) for each applicable Series of Secondary Subordinated Indebtedness or the portion thereof that is required as of such date to be funded if the Authority has elected to fund the Reserve Requirement in installments pursuant to the terms of the Master Subordinated Indenture.

(e) The balance of funds remaining in the Subordinated Revenue Fund, if any, after provision for the amounts described in clauses (a) through (d) above have been made (other than accrued interest), shall be transferred to the Trustee for deposit in the Discretionary Fund and applied in accordance with the Senior Bond Resolution. Any Hedge Termination Payment due or coming due with respect to a Series of Subordinated Obligations shall be made only from available funds on deposit in the Discretionary Fund.

Application of Revenues

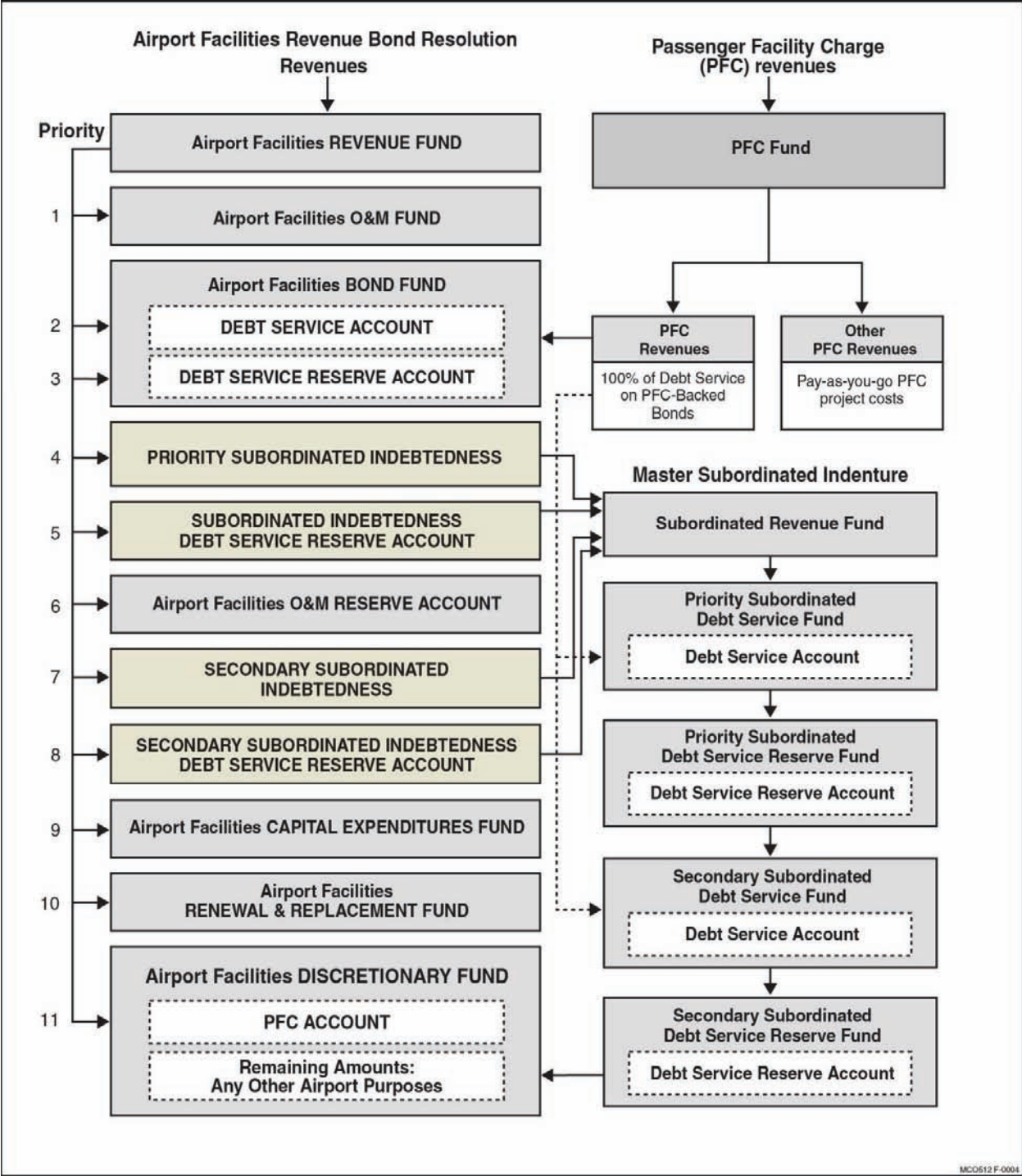
The following diagram presents a summary of the application of Revenues to various funds and accounts as governed by the provisions of the Senior Bond Resolution and the Master Subordinated Indenture. A more complete description of the application of Revenues is included in "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto. See "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES" herein for a description of the types of income and revenues included in the definition of "Revenues."

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The following diagram presents a summary of the application of Revenues to various funds and accounts as will be governed by the provisions of the Proposed Amended and Restated Bond Resolution and the Master Subordinated Indenture upon the Consent Effective Date, and as more particularly described in "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE," "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" and "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto.

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Limitations on Additional Authority Indebtedness

Senior Bonds. The Senior Bond Resolution provides that additional Senior Bonds may be issued for the purpose of paying the Costs of Construction of any Additional Project, subject to the conditions set forth in the Senior Bond Resolution. The Senior Bond Resolution also authorizes Refunding Bonds (as such term is defined in the Senior Bond Resolution). Generally, the Senior Bond Resolution conditions the issuance of additional Senior Bonds upon the satisfaction of certain requirements described in Section 204 of the Senior Bond Resolution, which (prior to the Consent Effective Date) requires:

(A) a certification of an Authorized Officer (as defined in the Senior Bond Resolution) of the Authority that, for any consecutive 12-month period out of the 30 calendar months immediately preceding the issuance of such proposed additional Senior Bonds, Net Revenues plus applicable Supplemental Revenues, if any, for such 12-month period equal at least 1.25 times the Aggregate Debt Service of the Outstanding Senior Bonds during such 12-month period, and

(B) a report of the Airport Consultant demonstrating that, for each of the three Fiscal Years following the Fiscal Year in which an Additional Project is estimated to be completed, the Net Revenues plus applicable Supplemental Revenues, if any, less the sum of the amounts to deposited to certain funds and accounts in each such Fiscal Year, are estimated to at least equal 1.25 times the Aggregate Debt Service of the Outstanding Senior Bonds for such Fiscal Year.

See "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto.

On or after the Consent Effective Date, the issuance of additional Senior Bonds under Section 204 of the Senior Bond Resolution will, generally, require either:

(A) a certification of an Authorized Officer of the Authority or an Airport Consultant that for either (a) the most recent Fiscal Year for which audited financial statements of the Airport System are available, or (b) any 12 consecutive months out of the most recent 24 consecutive months immediately preceding the month of issuance of the proposed additional Senior Bonds:

(i) Net Revenues and any Subordinated Pledged Revenues would (if such amounts were received over the next three full Fiscal Years) be at least equal to the aggregate amount the Authority is required to apply or deposit under paragraphs (2) through (10) of Section 405 of the Senior Bond Resolution, including the projected Aggregate Debt Service on such proposed additional Senior Bonds for (1) each of the next three full Fiscal Years following issuance of the additional Senior Bonds, or (2) each of the next two full Fiscal Years after the issuance of the additional Senior Bonds during which there is no Capitalized Interest funded from proceeds of such additional Senior Bonds, whichever is later, including the Aggregate Debt Service during such Fiscal Years on such proposed additional Senior Bonds; and

(ii) Net Revenues would (if such amount were received over the next three full Fiscal Years) be at least 1.25 times the Aggregate Debt Service on all Outstanding

Senior Bonds for each such Fiscal Year, when considering the projected Aggregate Debt Service on such proposed additional Senior Bonds for (1) each of the next three full Fiscal Years following issuance of the additional Senior Bonds, or (2) each of the next two full Fiscal Years from the issuance of the additional Senior Bonds during which there is no Capitalized Interest funded from proceeds of such additional Senior Bonds, whichever is later, including the Aggregate Debt Service during such Fiscal Years on such proposed additional Senior Bonds; or

(B) a certification of an Airport Consultant that, based upon the assumptions such Airport Consultant deems reasonable:

(i) projected Net Revenues and any Subordinated Pledged Revenues will be at least equal to the aggregate amount the Authority will be required to apply or deposit under paragraphs (2) through (10) of Section 405 of the Senior Bond Resolution when considering the projected Aggregate Debt Service on such proposed additional Senior Bonds for (1) each of the next three full Fiscal Years following issuance of the additional Senior Bonds, or (2) each of the next two full Fiscal Years from the issuance of the additional Senior Bonds during which there is no Capitalized Interest funded from proceeds of such additional Senior Bonds, whichever is later, including the Aggregate Debt Service during such Fiscal Years on such proposed additional Senior Bonds; and

(ii) projected Net Revenues will be at least 1.25 times the Aggregate Debt Service on all Outstanding Senior Bonds for each Fiscal Year, when considering the projected Aggregate Debt Service on such proposed additional Senior Bonds for (1) each of the next three full Fiscal Years following issuance of the additional Senior Bonds, or (2) each of the next two full Fiscal Years from the issuance of the additional Senior Bonds during which there is no Capitalized Interest funded from proceeds of such additional Senior Bonds, whichever is later, including the Aggregate Debt Service during such Fiscal Years on such proposed additional Senior Bonds;

For a summary of the Consent Amendments which include, among other things, changes relating to the issuance of additional Senior Bonds as described above, see "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto.

Subordinated Obligations. The Senior Bond Resolution permits the Authority to issue, without limit as to amount, Subordinated Indebtedness that is subordinate, in all respects, to Senior Bonds issued under the Senior Bond Resolution, as to the pledge of, lien on, and payment from Revenues. The Authority has covenanted not to issue any Subordinated Indebtedness pursuant to any instrument other than the Master Subordinated Indenture so long as the Master Subordinated Indenture has not been defeased or amended to provide that no additional Subordinated Obligations shall be issued thereunder. The Master Subordinated Indenture provides that additional Series of Priority Subordinated Indebtedness may be issued for the purpose of financing, acquiring, constructing, improving or completing Additional Projects, or for the purpose of refunding or paying any outstanding obligation of the Authority, or for any other purpose for which Subordinated Indebtedness may be issued under the Act and the Senior Bond Resolution, subject to the conditions set forth in the Master Subordinated Indenture. See

"APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Among other requirements, the Master Subordinated Indenture conditions the issuance of such Series of additional Priority Subordinated Indebtedness upon the delivery to the Trustee of:

(A) a certification of an Authorized Authority Representative or an Airport Consultant that the Available Net Revenues for the last audited Fiscal Year, or any 12 consecutive months out of the 24-month period immediately preceding the date of issuance of the proposed Series of Priority Subordinated Indebtedness, were at least equal to 110% of Aggregate Annual Subordinated Debt Service due in such period with respect to all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations and the proposed Series of Priority Subordinated Indebtedness; or

(B) a certification of an Airport Consultant that:

(i) the Available Net Revenues for the last audited Fiscal Year, or any 12 consecutive months out of the 24-month period immediately preceding the date of issuance of the proposed Series of Priority Subordinated Indebtedness or the establishment of proposed Program of Priority Subordinated Indebtedness, were at least equal to 110% of Aggregate Annual Subordinated Debt Service due in such 12-month period with respect to all Outstanding Priority Subordinated Indebtedness (not including the proposed Series of Priority Subordinated Indebtedness or proposed Program of Priority Subordinated Indebtedness);

(ii) the Authority will be in compliance with its rate covenant under the Master Subordinated Indenture (see "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Rate Covenant under Master Subordinated Indenture" below) during the period, if any, beginning with the start of the first full Fiscal Year following the issuance of the proposed Series of Priority Subordinated Indebtedness and continuing through and including the full final Fiscal Year during any part of which interest on such proposed Series of Priority Subordinated Indebtedness is expected to be paid from the proceeds of such Series of Priority Subordinated Indebtedness; and

(iii) for each Fiscal Year beginning with the first full Fiscal Year following the proposed issuance of such Series of Priority Subordinated Indebtedness and ending with the later of (a) the third full Fiscal Year following the proposed issuance of such Series of Priority Subordinated Indebtedness or (b) the second full Fiscal Year during which no interest on such Series of proposed Priority Subordinated Indebtedness is expected to be paid from the proceeds thereof, the estimated Available Net Revenues will be at least equal to 110% of the Aggregate Annual Subordinated Debt Service with respect to all Priority Subordinated Indebtedness Outstanding on the proposed date of issuance of such Series of Priority Subordinated Indebtedness (including the proposed Series of Priority Subordinated Indebtedness) and full Authorized Amount of any Unissued Priority Subordinated Program Obligations.

The Master Subordinated Indenture provides that, on or after the Consent Effective Date, Secondary Subordinated Indebtedness may be issued or incurred under the Master Subordinated Indenture for the purpose of financing, acquiring, constructing, improving or completing Additional Projects, for the purpose of refunding or paying any outstanding obligation of the Authority, or for any other purpose for which Secondary Subordinated Indebtedness may be issued or incurred under the Senior Bond Resolution, subject to the conditions set forth in the Master Subordinated Indenture. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

Among other requirements, the Master Subordinated Indenture conditions the issuance of such Series of additional Secondary Subordinated Indebtedness upon the delivery to the Trustee of a certification of an Authorized Authority Representative or an Airport Consultant that, taking into account the debt service becoming due on such proposed Secondary Subordinated Indebtedness, the Authority will be in compliance with its rate covenant under the Master Subordinated Indenture for each of the first two Fiscal Years during which such Secondary Subordinated Indebtedness will be Outstanding. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Rate Covenant under Master Subordinated Indenture" below. After the Consent Effective Date, the Existing Lines of Credit will become Secondary Subordinated Indebtedness, and, at such time, the debt service thereon would be included when calculating compliance with the rate covenant for any such proposed Secondary Subordinated Indebtedness. See "AUTHORITY INDEBTEDNESS – Outstanding Subordinated Obligations" herein.

For purposes of calculating Aggregate Annual Subordinated Debt Service in connection with the foregoing conditions to the issuance of such Series of additional Priority Subordinated Indebtedness, if PFC Revenues or, after the Consent Effective Date, Available Revenues, or State and/or federal grants or other moneys have been irrevocably committed or are held by the Trustee or another fiduciary and are to be set aside exclusively to be used to pay principal and/or interest on specified Subordinated Obligations pursuant to an Issuing Instrument or a Supplemental Subordinated Indenture (and are not otherwise required for payment of Senior Bonds) (collectively, the "Committed Available Revenues"), then the principal of, interest on and premium, if any, to be paid from such Committed Available Revenues or from earnings thereon are disregarded and are not included in calculating Aggregate Annual Subordinated Debt Service. As a result, the issuance of any additional Series of Priority Subordinated Indebtedness for which all or a portion of the Annual Debt Service is payable from PFC Revenues, or after the Consent Effective Date, Committed Available Revenues, may result in a dilution of the Available Net Revenues available to pay the Annual Debt Service on any then outstanding Series of Priority Subordinated Indebtedness to the extent any such Committed Available Revenues are insufficient to pay the Annual Debt Service on the allocable portion of such Series of Priority Subordinated Indebtedness.

Rate Covenant under Master Subordinated Indenture

The Authority has covenanted in the Master Subordinated Indenture that, while any of the Subordinated Obligations secured under the Master Subordinated Indenture remain Outstanding, the Authority shall establish, fix, charge, prescribe and collect rates, fees, rentals and charges for the use of the Airport System and for any services rendered in connection therewith, and shall

revise such rates, fees, rentals and charges as often as may be necessary or appropriate, so that the sum of (i) Available Net Revenues, plus (ii) prior to the Consent Effective Date, PFC Revenues, and on and after the Consent Effective Date, Available Revenues, in each case, pledged to or irrevocably committed to pay principal of, premium, if any, and interest on a Series of Subordinated Obligations in an amount not to exceed the Aggregate Annual Subordinated Debt Service on such Series of Subordinated Obligations coming due in such Fiscal Year, plus (iii) any Transfers for each Fiscal Year will be at least equal to 100% of the aggregate amount the Authority is required to apply and/or deposit during such Fiscal Year pursuant to Section 8.02 (a) through (d) of the Master Subordinated Indenture. See "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" attached hereto.

For purposes of the Master Subordinated Indenture, the term "Transfer" means the lesser of (a) the sum of (i) amounts on deposit in the Discretionary Fund on the last day of the Fiscal Year, to the extent such amounts are not restricted to other uses (including, without limitation, payment of principal of, premium, if any, or interest on any Senior Bonds or Subordinated Obligations and any payments into an account within the Subordinated Debt Service Reserve Fund), plus (ii) amounts paid from the Discretionary Fund during such Fiscal Year toward Operating and Maintenance Expenses or the principal of, premium, if any, or interest on any Subordinated Obligations, minus (iii) amounts deposited in the Discretionary Fund during such Fiscal Year, or (b) ten percent of the principal of, premium, if any, and interest on the Outstanding Priority Subordinated Indebtedness payable during such Fiscal Year.

Limited Obligations

THE SERIES 2016 SUBORDINATED BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF PLEDGED SUBORDINATED REVENUES DERIVED FROM THE AUTHORITY FROM THE OPERATIONS OF THE AIRPORT SYSTEM, THE PROCEEDS OF OUTSTANDING PRIORITY SUBORDINATED INDEBTEDNESS HELD BY THE TRUSTEE, AND CERTAIN FUNDS AND ACCOUNTS HELD BY THE TRUSTEE. PAYMENT OF THE SERIES 2016 SUBORDINATED BONDS IS SUBORDINATED TO PAYMENT OF THE SENIOR BONDS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE HOLDERS OF THE SERIES 2016 SUBORDINATED BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER, IF ANY, OF THE AUTHORITY, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2016 SUBORDINATED BONDS. THE AUTHORITY HAS NO TAXING POWER.

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AUTHORITY INDEBTEDNESS

Outstanding Senior Bonds

The following table presents the Authority's Senior Bonds outstanding under the Senior Bond Resolution and the outstanding principal amounts thereof as of the date of this Official Statement. The Senior Bonds have a prior lien on the Authority's Revenues senior in all respects to the lien granted in favor of the Series 2016 Subordinated Bonds and all other Subordinated Obligations issued under the Master Subordinated Indenture.

Outstanding Senior Bonds	Outstanding Principal Amount
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 1998	\$ 1,325,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2007A	99,815,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2008A	77,660,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2009A	90,820,000
Airport Facilities Revenue Bonds (AMT), Series 2009C	77,985,000
Airport Facilities Revenue Bonds (Non-AMT), Series 2010A	77,470,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2010B	25,135,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2011A	5,310,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2011B	70,040,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2011C	36,410,000
Airport Facilities Refunding Revenue Bonds (Taxable), Series 2011D	64,990,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2012A	37,065,000
Airport Facilities Revenue Bonds (AMT), Series 2013A	44,260,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2013B	24,515,000
Airport Facilities Revenue Bonds (AMT), Series 2015A	214,450,000
Total:	\$947,250,000

Outstanding Subordinated Obligations

In addition to the Series 2016 Subordinated Bonds being described herein, the Authority has the following Outstanding Other Parity Indebtedness, all of which constitute Priority Subordinated Indebtedness as of the date of this Official Statement: (a) the Existing Lines of Credit and (b) the FDOT Indebtedness.

Existing Lines of Credit. The Authority has entered into three revolving credit agreements which the Authority draws upon for interim financing of capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds, and other permanent funding sources. The Authority has a \$200 million subordinate line of credit with Bank of America, N.A. (the "Bank of America Line of Credit"), which expires April 1, 2017. The Authority also has a \$250 million subordinate line of credit with Wells Fargo Bank, N.A. (the "Wells Fargo Line of Credit"), which expires June 29, 2018. On November 6, 2015, the Authority entered into an agreement with PNC Bank, N.A. to provide a \$100 million line of credit (the "PNC Line of Credit") which expires on November 6, 2016. The PNC Line of Credit, Bank of America Line of Credit and the Wells Fargo Line of Credit are collectively referred to herein as the "Existing Lines of Credit." The Authority intends to continue using

lines of credit for interim financing of capital improvements for certain of the 2016 - 2023 Capital Improvement Program. See "CAPITAL IMPROVEMENT PROGRAM" herein.

FDOT Indebtedness. The FDOT Indebtedness consists of a Joint Participation Agreement as amended ("JPA") between the Authority and the Florida Department of Transportation ("FDOT"), under which the Authority is required to reimburse FDOT for \$52.7 million of the funds advanced by FDOT under the JPA (the "FDOT Loan"). The Authority expects to use the proceeds of the FDOT Loan to pay for portions of the Intermodal Transportation Facility ("ITF") that are related to the construction of the passenger rail terminal being developed as part of the ITF adjacent to the airport people mover ("APM") system. See "CAPITAL IMPROVEMENT PROGRAM" herein. Under the JPA, the Authority is obligated to repay the FDOT Loan over a period of 18 years with no interest.

Under the Master Subordinated Indenture, the Authority may enter into and have outstanding at any time Other Parity Indebtedness consisting of FDOT Indebtedness in a principal amount not to exceed \$55,000,000 and Line of Credit Indebtedness in an aggregate principal amount not to exceed \$550,000,000. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS" herein.

All amounts of Other Parity Indebtedness constitute Priority Subordinated Indebtedness payable on a parity with the Series 2016 Subordinated Bonds until the Consent Effective Date. Following the Consent Effective Date, all amounts outstanding under the Existing Lines of Credit will automatically become Secondary Subordinated Indebtedness, but the Authority's repayment obligations under the FDOT Indebtedness will remain Priority Subordinated Indebtedness on a parity with the Series 2016 Subordinated Bonds.

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The Authority's Other Parity Indebtedness is currently outstanding in the amounts shown below.

Outstanding Other Parity Indebtedness	Authorized Amount	Outstanding Principal Amount⁽¹⁾
Bank of America Line of Credit	\$200,000,000	\$105,000,000
Wells Fargo Line of Credit	250,000,000	70,000,000
PNC Bank Line of Credit	100,000,000	30,000,000
FDOT Loan	52,700,000	0
Total	\$602,700,000	\$205,000,000

⁽¹⁾ Reflects Other Parity Indebtedness outstanding prior to the issuance of the Series 2016 Subordinated Bonds and repayment of \$89,995,000 of the Existing Lines of Credit.

The Authority may issue in the future certain Additional Subordinated Obligations as either Priority Subordinated Indebtedness or, after the Consent Effective Date, Secondary Subordinated Indebtedness, which Subordinated Obligations shall be payable from Pledged Subordinated Revenues and Pledged Secondary Subordinated Revenues, respectively, as may from time to time be available for the payment thereof as provided in the Master Subordinated Indenture or the Issuing Instrument, after payment of such amounts as necessary to pay Senior Bonds under the Senior Bond Resolution. See "CAPITAL IMPROVEMENT PROGRAM" herein more information regarding the Authority's current plans for financing capital projects.

See "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto for a summary of the amendments to the Senior Bond Resolution relating to certain provisions regarding the issuance of, and security for, certain Secondary Subordinated Indebtedness.

Interest Rate Swap Agreements

Although the Authority does not currently have any outstanding interest rate swap agreements, forward purchase agreements or other synthetic financial instruments, the Authority may enter into such transactions in the future for the purpose of managing the interest cost of its debt. Interest rate swaps and other synthetic financial instruments involve risks that could result in an economic loss to the Authority. While the Authority could elect to have regularly scheduled interest rate swap payment obligations secured by a lien on Revenues on parity with Senior Bonds issued under the Senior Bond Resolution or on parity with Priority Subordinated Indebtedness, the Authority's obligations with respect to termination payments or other obligations under any such interest rate swap agreement would be secured by a lien on funds on deposit in the Discretionary Fund, subordinate to the lien securing the Senior Bonds and Subordinated Obligations.

CFC Indebtedness

Pursuant to a resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009 ("CFC Enabling Resolution"), the Authority authorized, and in October 2008 began collecting, a rental automobile customer facility charge or "CFC" to be derived from the operation of rental automobile activities, conducted at various rental automobile facilities assessed on each rental car transaction, currently equal to \$2.50 per day up to a maximum of five days. The Authority has pledged the CFC receipts to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile facilities at the Airport pursuant to a Trust Indenture, dated as of October 1, 2009, between The Bank of New York Mellon Trust Company, N.A., as trustee and the Authority (the "CFC Indenture"). As of the date of this Official Statement, the Authority has \$17,620,000 of its Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 (the "CFC Bonds") outstanding under the CFC Indenture. The CFC Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the CFCs and other funds pledged under the CFC Indenture. The CFC Bonds are scheduled to mature on October 1, 2017. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Senior Bond Resolution. Prior to the Consent Effective Date, once the CFC Bonds are retired and any other indebtedness or other amounts payable by the Authority under the CFC Indenture have been paid, CFCs will, at such time, be included in Revenues under the Senior Bond Resolution and be available to the Authority for any lawful purpose. On the Consent Effective Date and so long as the CFC Bonds or any other indebtedness or other amounts payable by the Authority under the CFC Indenture are still outstanding, CFCs shall continue to be so pledged to the repayment of such indebtedness or other amounts payable by the Authority under the CFC Indenture subsequent to such Consent Effective Date. However, subsequent to the Consent Effective Date, once the CFC Bonds are retired and any other indebtedness or other amounts payable by the Authority under the CFC Indenture have been paid, CFCs will, at such time and to the extent set forth in a Supplemental Resolution, an Issuing Instrument or a Supplemental Subordinated Indenture, be included within the definition of Available Revenues under the Senior Bond Resolution and the Master Subordinated Indenture and be available to the Authority for any lawful purpose, including being utilized in accordance with the provisions of the Proposed Amended and Restated Bond Resolution which permit such Available CFC Revenues to be irrevocably committed or held by a fiduciary and set aside exclusively for the payment of principal and/or interest on specified Subordinated Obligations pursuant to an Issuing Instrument or a Supplemental Subordinated Indenture. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Limitations on Additional Authority Indebtedness" and "- Rate Covenant under Master Subordinated Indenture" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" and "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date.

THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM

General

The Authority was established as an agency of the City pursuant to the Act. The Airport is owned by the City. Pursuant to the Transfer Agreement, the City transferred to the Authority custody, control and management of the Airport for a term that will expire on September 30, 2065, subject to early termination under certain conditions, unless extended by the City and the Authority. Under the Transfer Agreement, the Authority pays the City for specific services rendered by the City in accordance with schedules negotiated with the City. Upon the expiration of the term of the Transfer Agreement, the custody, control and management of the Airport will revert to the City and the City shall automatically assume all of the Authority's obligations under the Senior Bond Resolution and the Master Subordinated Indenture and all of the liabilities of the Authority with respect to the Airport, but all such obligations or liabilities, including debt service on any Senior Bonds or Subordinated Obligations, which are outstanding on and after the expiration of the Transfer Agreement, shall continue to be payable solely from their respective identified sources. Any such obligations or liabilities of the Authority will not be a general obligation of the City and neither the faith and credit nor the taxing power of the City will be pledged for the payment of any such obligations or liabilities, including the payment of principal, interest or premium on any Senior Bonds or Subordinated Obligations.

The Authority operates the facilities of the Airport System for the accommodation of air commerce and transportation. The Airport System presently consists of: (a) the Airport, which is owned by the City and operated by the Authority; and (b) any other aviation facility or airport that is acquired or constructed by the Authority, provided however, that the Airport System currently excludes the Orlando Executive Airport.

The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Senior Bonds or Subordinated Obligations or the interest or premium, if any, thereon. Likewise, the Authority may not expend Revenues on the operation of the Orlando Executive Airport unless the "Airport System" is revised to include that airport. However, the Authority may include the Orlando Executive Airport within the definition of the Airport System by a future Supplemental Resolution to the Senior Bond Resolution, and upon delivery to the Trustee of (a) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Senior Bonds outstanding that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Senior Bonds, and (b) the written consent of any bond insurers or other credit provider having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Senior Bonds outstanding under the Senior Bond Resolution. See "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto. Currently the Authority has no current plans to include the Orlando Executive Airport within the Airport System.

The Airport is located in central Florida, nine miles southeast of downtown Orlando in Orange County, Florida. The Airport occupies approximately 13,430 acres of land. The service region for the Airport extends throughout central Florida, an attribute made possible by its

location at the crossroads of Florida's road network and the availability of low airfares at the Airport. The primary metropolitan area within the Airport service region is the Orlando-Kissimmee-Sanford Metropolitan Statistical Area, which comprises Lake, Orange, Osceola and Seminole Counties (the "Orlando MSA"). With a population of 2,387,138 in 2015, the Orlando MSA accounted for approximately 12% of the population of the State according to the United States Census Bureau.

The Orlando region is one of the primary tourism destinations in the United States. These factors combined to result in Orlando drawing a record 51.5 million visitors in 2010 and becoming the first city in the United States to attract over 50 million visitors. Total visitation to Orlando has continued to grow. In 2015, 66.0 million people visited the Orlando MSA. The area also features significant convention and cruise ship activity. In addition to tourism, the area economy features increasing diversification via a growing medical and research sector and a large education sector with several colleges and universities, including the University of Central Florida with an enrollment of more than 60,000 students.

Authority Governing Board and Management

The Authority is governed by a seven-member Board. Five members are appointed by the Governor of the State, subject to confirmation by the State Senate, one member is the Mayor of the City and one member is the Mayor of Orange County, Florida. One of the five members of the Board appointed by the Governor must be a resident of Osceola County. Members appointed by the Governor are appointed for four-year terms. All Board members may be reappointed, provided that the maximum consecutive service for appointed members may not exceed eight years or two consecutive four year terms, whichever is longer. The current Authority Board members and their respective term expiration dates are provided below.

Board Member	Term
Frank Kruppenbacher, Chairman	April 16, 2018
Dean Asher, Vice Chairman	April 16, 2016 ⁽¹⁾
Domingo Sanchez, Treasurer	April 16, 2016 ⁽¹⁾
The Honorable Buddy Dyer	Term in Office
Ed Fouche	April 16, 2018
The Honorable Teresa Jacobs	Term in Office
James Palmer	April 16, 2016 ⁽¹⁾⁽²⁾

⁽¹⁾ Board members whose terms have expired continue to serve until they are either reappointed or the Governor appoints a new member to replace them.

⁽²⁾ Mr. Palmer has served two terms and may not be reappointed.

The Airport System is managed by an Executive Director who oversees a staff of approximately 685 employees (includes full-time, part-time and temporary employees) as of September 30, 2015. Biographical data concerning the Executive Director and certain other key officials of the Authority is set forth below.

Phillip N. Brown, A.A.E. Mr. Brown is the Executive Director of the Authority. As Executive Director, he is responsible for the operation and management of both Orlando International Airport and Orlando Executive Airport, with an annual budget of over \$471 million. Orlando International Airport serves more than 40 million passengers annually,

making it one of the busiest airports in the State. During the past 35 years as a business professional, Mr. Brown served in a variety of public and private sector positions. These positions include a previous stint as Deputy Executive Director - Administration for the Authority in the early 1990's as well as County Administrator for Orange County Florida. For fourteen years, prior to his return to the Authority, Mr. Brown was employed as a public finance professional. Mr. Brown currently serves as Chairman of the AAAE Airport Legislative Alliance (ALA), as a member of the AAAE Policy Review Committee (PRC), and is Vice Chairman of the Gateway Airports Council (GAC). Mr. Brown holds a Master's Degree in Business Administration from the University of Tennessee, and is an Accredited Airport Executive by the American Association of Airport Executives ("AAAE").

Stanley J. Thornton. Mr. Thornton is the Chief Operating Officer. As Chief Operating Officer he is responsible directly to the Executive Director for managing the daily functions of the Airport and Orlando Executive Airport. Mr. Thornton has more than 35 years of experience in construction and airport management in both the private and public sectors. Prior to returning to the Authority in August 2010, Mr. Thornton worked in the private sector serving a number of airports including Phoenix Sky Harbor International as the Airport Program Development Director. Mr. Thornton is very familiar with the Airport and Orlando Executive Airport, having worked at the Authority from 1993 through 2006 in various positions, including Interim Senior Director of Engineering and Construction. In his prior roles at the Authority, Mr. Thornton managed the Maintenance, Construction, and Engineering Divisions where he was responsible for the planning, implementation and oversight of maintenance and renovation programs, and all construction projects for the Authority. In addition to his airport management experience, Mr. Thornton has 20 years of experience as a construction professional building heavy civil and commercial projects. Mr. Thornton holds a Bachelor's of Science Degree in Management and a Master of Business Administration Degree in Technology Management from the University of Phoenix.

Jacki M. Churchill. Ms. Churchill is the Chief Financial Officer for the Authority. She has more than 25 years of experience in the finance industry. She directs all of the Authority's fiscal activities for both the Orlando International Airport and Orlando Executive Airport with an annual budget of over \$471 million. As the Chief Financial Officer, she is responsible for all the financial reporting, investments, construction finance, debt issuance and the administration of the \$471 million annual budget, and all financial and regulatory reporting requirements. Prior to joining the Authority in 1993, Ms. Churchill worked in the private sector which included working at the firm of Coopers & Lybrand serving a number of clients that included various governments, nonprofits and the Authority. Ms. Churchill holds a Bachelors of Arts Degree in Business Administration from Elon University and attended University of Central Florida for graduate studies and obtained her Certified Public Accountant license in Florida. Ms. Churchill is a member of the American Institute of Certified Public Accountants and the Government Finance Officers Association. She also serves as a member on several of the Authority's committees, including the Construction Committee, Concessions/Procurement, Retirement Benefits Committee, and as Chairperson for the Construction Finance Oversight Committee. Effective July 3, 2016, Ms. Churchill will transition into a new role as the Authority's Deputy Executive Director.

Kathleen M. Sharman. Ms. Sharman recently joined the Authority as the Director of Finance. She has more than 30 years of accounting and finance experience across multiple transportation modes (toll roads, transit and airport) as well as solid waste and real estate industries in the public and private sectors. Prior to joining the Authority, Ms. Sharman served as the CFO and Treasurer of the New Jersey Transit Corporation, one of the nation's largest providers of bus, rail and light rail transit with over 11,000 employees and an operating budget of over \$2 Billion. In this capacity, she was responsible for managing the accounting, budget, treasury, risk management, real estate, pension and benefits and project finance functions of the corporation and was the President of ARH III, the Corporation's wholly owned Insurance Captive. Her public sector experience also includes serving as CFO and Treasurer of Georgia's State Road and Tollway Authority where she managed a nearly \$2 Billion GARVEE program, a \$40 million State Transportation Infrastructure Bank and the finance and administrative functions of the Authority. In addition, she served as the CFO and Treasurer for the South Jersey Transportation Authority, operator of the Atlantic City Expressway and the Atlantic City International Airport. Ms. Sharman's accomplishments include managing creative project financings and public-private partnership transactions in both Georgia and New Jersey as well as overseeing the Atlantic City Expressway's initial implementation of the E-ZPass® electronic-toll-collection back office interface. Ms. Sharman began her career at Arthur Andersen and has held corporate Controller positions for several private sector companies in the solid waste and real estate industries. She holds a Bachelor's of Business Administration from George Washington University and is a Certified Public Accountant. Ms. Sharman has been appointed to become the Chief Financial Officer of the Authority, effective July 3, 2016.

Airport Facilities

The Airport has four north-south parallel runways designated as 18L/36R, 18R/36L, 17R/35L and 17L/35R. The runways are interconnected by a system of taxiways. All four runways have full instrumentation and lighting to permit all weather operations and are capable of handling the largest commercial aircraft currently in use, with runway 18L/36R being able to accommodate the Airbus A380. The spacing between sets of parallel runways is adequate to allow triple simultaneous approaches under instrument flight rules set by the Federal Aviation Authority (the "FAA"). The runways are supported by a network of taxiways, aprons, and hold areas. Three crossover taxiways connect the runways on either side of the terminal complex.

Runway	Length	Width
18L/36R	12,000 feet	200 feet
18R/36L	12,000 feet	200 feet
17R/35L	10,000 feet	150 feet
17L/35R	9,000 feet	150 feet

The North Terminal Complex consists of the landside terminal, four airside buildings with associated aircraft parking aprons and connecting taxiways, APMs connecting the landside terminal to the airside buildings, an in-terminal hotel, a terminal roadway system with associated signage, ground level and structured parking for automobiles, rental car facilities, landscaping, a hydrant fueling storage and distribution system, a flood control bypass canal, and utilities and drainage.

The landside terminal and airside buildings provide approximately 6.0 million square feet of space, including the hotel. The north and south sides of the landside terminal are known as Terminal A and B, respectively. The airside buildings are known as Airsides 1, 2, 3 and 4. Access to the Airport is provided by a divided highway system, which connects the Airport with the Orlando MSA and the interstate highway network. The road system provides direct access to automobile parking adjacent to and above the landside terminal.

The landside terminal accommodates passenger ticketing, baggage check-in, and baggage claim facilities; baggage handling and other facilities for airline operations; and space for rental car counters, food and beverage concessions, retail merchandise concessions, and other passenger services; and a 445-room hotel with restaurants and conference facilities. It is served by a three-level roadway system that provides access to separate enplaning, deplaning, and commercial vehicle curbsides. Rental car and public automobile parking spaces are provided in garages that are an integral part of or adjacent to the landside terminal. Passengers travel between the landside terminal and the airside terminals using the APM system. The airside terminals and aprons provide 93 contact aircraft gates for jet aircraft and associated passenger waiting areas, concessions, and airline operations space. Federal inspection services ("FIS") facilities in two of the four airside terminals provide the capability to accommodate arriving international passengers at 16 of the 93 gates. The combined capacity of the FIS facilities is approximately 2,600 passengers per hour. In addition to the 93 contact aircraft gates, the terminal apron provides aircraft parking for 22 remain-over-night spaces.

Rental car ready/return stalls are located on levels 1 and 2 of the garages adjacent to both sides of the North Terminal. Adjacent to the garages on (level 1) there are quick turnaround areas ("QTAs") for stacking, cleaning, fueling, washing, and staging cars prior to moving them into the ready car spaces in the garage. The Airport opened expanded rental car facilities on April 1, 2010, which included (a) an expansion and reconfiguration of the existing Terminal A QTA, (b) construction of a new Terminal B QTA and associated relocation of the bus and taxi hold facilities, (c) addition of ready/return spaces at Terminal A, (d) construction of a common fuel distribution system, and (e) associated terminal roadway improvements.

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Airlines Serving Orlando International Airport

The following table provides a listing of the Airlines serving the Airport as of March 31, 2016.

Airlines Serving Orlando International Airport (as of March 31, 2016)

Network Carriers

Alaska Airlines
American Airlines Inc.⁽¹⁾
Delta Air Lines
United Airlines Inc.

Regional Airlines⁽²⁾

Silver Airways Corp.

Low Cost Carriers

Frontier Airlines
jetBlue Airways Corp.
Southwest Airlines Co.
Spirit Airlines
MN Airlines LLC d/b/a Sun Country
Virgin America Inc.

All Cargo Airlines

ABX Air Inc.
Federal Express Corporation
Mountain Air Cargo
United Parcel Service Inc.

Foreign-Flag Airlines

Aer Lingus Ltd.
Aerovias de Mexico S.A. de C.V.
Aerovias Del Continente Americano S.A. Avianca
Air Canada
Air Transat
Azul Linhas Aereas Brasileiras S.A. Inc. d/b/a Azul Brazilian Airlines
Bahamassair
British Airways
Caribbean Airlines Limited
Concesionaria Vuela Compania Aviacion SAPI de CV d/b/a Volaris
COPA Airlines
Emirates Inc.
Icelandair LLC
Lan Peru S.A.
Lufthansa Airlines
Norwegian Air Shuttle
Sunwing Airlines Inc.
TACA International Airlines
TAM Linhas Aereas d/b/a TAM Airlines⁽³⁾
Thomas Cook Airlines
Virgin Atlantic Airways Ltd.
WestJet Airlines Ltd.

Other⁽⁴⁾

Kalitta Charters
LAN Airlines S.A.⁽³⁾
Miami Air International, Inc.
Swift Air, LLC
TEM Enterprises d/b/a Xtra Airways

⁽¹⁾ US Airways and American Airlines Inc. merged operations at the Airport effective August 1, 2015.

⁽²⁾ Airlines that are subsidiaries of other airlines are not listed separately for purposes of this table.

⁽³⁾ LAN Airlines and TAM Linhas Aereas merged in 2012 to form LATAM but continue to operate under separate brands until 2018.

⁽⁴⁾ Airlines with ad hoc or diversion operations

Source: Airline category list is derived from OAG Aviation Worldwide Ltd., online database, accessed June 2015, and airline list is derived from the Greater Orlando Aviation Authority.

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The following table sets forth the distribution of aircraft gates among the Airlines at the Airport based on the Letters of Authorization (as defined in the Rate Resolution) in effect as of April 1, 2016. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" herein for more information about Airlines' use and occupancy of Terminal premises.

**Number of Aircraft Airline Gates
as of April 1, 2016**

Preferential Use Gates	
Aeromexico	1
Air Canada	1
American Airlines	8
British Airways	1
COPA Airlines	1
Delta Air Lines	8
Frontier Airlines	3
jetBlue Airways	9
Silver	1
Southwest Airlines	16
Spirit Airlines	4
United Airlines	9
Virgin Atlantic	1
Westjet	1
Total Preferential Use Gates	64
Total Common Use Gates	29
Total Aircraft Airline Gates	93

Source: The Greater Orlando Aviation Authority.

Airline Market Shares

In Fiscal Year 2015, Southwest Airlines accounted for 26.8% of all passengers at the Airport, less than its Fiscal Year 2010 share (34.9% including AirTran Airways). American Airlines (including US Airways) accounted for the second largest share with 15.5%, followed by Delta Air Lines with 14.7%, jetBlue Airways with 13.7%, United Airlines with 9.8% and Spirit Airlines with 3.6%. Compared with many other large U.S. hub airports, the Airport exhibits a relatively low degree of airline concentration.

Over the past decade, low-cost carriers providing domestic service were the primary drivers of increased passenger volumes at the Airport, increasing their collective market share from 18% in Fiscal Year 2000 to 48% in Fiscal Year 2015. This gain came largely at the expense of the mainline carriers and their regional code-sharing affiliates, which, as a group, declined in Airport market share from 75% in Fiscal Year 2000 to 42% in Fiscal Year 2010 to 40% in Fiscal Year 2015. Foreign-flag carriers increased their share from 7% in Fiscal Year 2000 to 11% in Fiscal Year 2015.

For the first six months of Fiscal Year 2016, Southwest Airlines has accounted for 25.5% of all passengers at the Airport, followed by Delta Air Lines with 14.7%, American Airlines (including US Airways) with 14.2%, jetBlue Airways with 13.2%, United Airlines with 9.5% and Frontier Airlines with 6.1%.

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The following table sets forth comparative passenger market share information for air carriers serving the Airport during Fiscal Years 2011 through 2015.

Historical Airline Market Shares Percentage of Total Passengers Fiscal Years 2011-2015					
	2011	2012	2013	2014	2015
Participating Airlines⁽¹⁾					
Southwest Airlines Co. ⁽²⁾	21.44%	21.26%	19.06%	27.85%	26.81%
AirTran Airways ⁽²⁾	13.09	11.54	10.16	-	-
Delta Air Lines	14.96	14.71	15.10	15.32	14.68
jetBlue Airways	12.61	13.46	13.97	13.89	13.66
United Airlines Inc. ⁽³⁾	4.58	4.34	4.26	10.34	9.84
US Airways ⁽⁴⁾	6.82	7.20	7.93	8.12	6.47
American Airlines Inc. ⁽⁴⁾	7.68	7.96	7.85	8.04	9.04
Continental Airlines ⁽³⁾	5.45	5.29	5.65	-	-
Spirit Airlines	2.16	2.42	2.90	3.26	3.57
Virgin Atlantic Airways Ltd	2.36	2.25	2.37	2.30	2.17
Air Canada	1.11	1.27	1.38	1.42	1.46
Frontier Airlines	-	0.96	1.27	1.25	3.11
COPA Airlines	0.62	0.76	0.88	0.97	1.02
WestJet Airlines Ltd	0.82	0.79	0.81	0.89	0.91
British Airways	0.50	0.60	0.65	0.71	0.77
Silver Airways Corp	-	-	0.10	0.38	0.53
Aerovias de Mexico SA de CV	-	-	-	0.41	0.51
Subtotal Participating Airlines	<u>94.20%</u>	<u>94.81%</u>	<u>94.34%</u>	<u>95.15%</u>	<u>94.55%</u>
Non-Participating Airlines					
Domestic Mainline	2.61%	1.40%	2.76%	1.37%	1.25%
Foreign Flag Airlines	2.65	3.29	2.69	3.45	4.19
Commuter Airlines	0.54	0.50	0.21	0.03	0.01
TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

⁽¹⁾ Pursuant to the Rate Resolution, effective November 1, 2013, all prior lease and use agreements were terminated. As a result, the Authority no longer maintains information categorizing Airlines as "signatory" or "non-signatory." In accordance with the Rate Resolution and Revenue Sharing Agreements, the Airline information presented in this table is categorized on the basis of "Participating Airlines" and "Non-Participating Airlines." See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY - Transition to Rate Resolution" herein.

⁽²⁾ On March 1, 2012, Southwest Airlines received FAA approval for a single operating certificate, providing for the integration of Southwest Airlines and AirTran Airways.

⁽³⁾ On November 30, 2011, United Airlines received FAA approval for a single operating certificate, providing for the integration of United Airlines and Continental Airlines.

⁽⁴⁾ On April 8, 2015, American Airlines received FAA approval for a single operating certificate, providing for the integration of American Airlines and US Airways.

Source: The Greater Orlando Aviation Authority.

Enplaned Passengers at the Airport

The following table sets forth the Airport's historical data for (a) domestic enplaned passengers, (b) international enplaned passengers, (c) total enplaned passengers (a + b=c), (d) international passengers as a percentage of total enplaned passengers (b/c=d), and (e) the respective annual percentage changes, for Fiscal Years 2006 to 2015, and for the first six months, October 1st through March 31st, of Fiscal Years 2015 and 2016.

Historical Domestic, International and Total Enplaned Passengers

Fiscal Year Ended September 30	Domestic Enplaned Passengers (a)	Percent Change for Domestic Enplaned Passengers from Previous Year	International Enplaned Passengers (b)	Percent Change for International Enplaned Passengers from Previous Year	Total Enplaned Passengers (a + b = c)	Percent Change for Total Enplaned Passengers from Previous Year	International Enplaned Passengers as Percentage of Total Enplaned Passengers (b/c=d)
2006	16,258,674	3.16%	1,058,199	(1.35)%	17,316,873	2.87%	6.11%
2007	16,747,601	3.01	1,084,217	2.46	17,831,818	2.97	6.08
2008	16,920,447	1.03	1,317,831	21.55	18,238,278	2.28	7.23
2009	15,373,029	(9.15)	1,425,573	8.18	16,798,602	(7.89)	8.49
2010	15,535,522	1.06	1,595,574	11.93	17,131,096	1.98	9.31
2011	16,080,029	3.50	1,692,020	6.04	17,772,049	3.74	9.52
2012	15,870,366	(1.30)	1,859,675	9.91	17,730,041	(0.24)	10.49
2013	15,470,690	(2.52)	1,956,577	5.21	17,427,267	(1.71)	11.23
2014	15,477,675	0.05	2,057,323	5.15	17,534,998	0.62	11.73
2015	16,426,194	6.13	2,400,904	16.70	18,827,098	7.37	12.75
Oct. 2014 - March 2016	8,080,054	-	1,117,403	-	9,197,457	-	12.15
Oct. 2015 - March 2016	8,944,585	10.70	1,321,278	18.25	10,265,863	11.62	12.87

Source: The Greater Orlando Aviation Authority.

International Airline Traffic in the Orlando MSA

Orlando International Airport. The Airport has scheduled passenger air service to international destinations in six geographical regions in the world, North America, Central America, South America, the Caribbean, Europe and the Middle East. As of March 31, 2016, 26 scheduled passenger air carriers provided service to 48 international destinations of which 31 are year-round and 17 are seasonal. The number of scheduled international seats into the Airport increased by 84% between Fiscal Year 2010 and an estimated Fiscal Year 2016, representing an average annual growth rate of 12.8%, including an estimated 13.5% increase in Fiscal Year 2016 over Fiscal Year 2015. The Authority anticipates continued increases in international airline service, with international enplanement growth forecast to outpace domestic passenger growth for the next several years. See, however, "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS" herein.

Sanford International Airport. The Sanford International Airport, which is not operated by the Authority and is not a part of the Airport System, is a small-hub airport located approximately 35 miles north of the Airport with 12 gates that accommodate both scheduled and chartered international flights. International service at Sanford International Airport has consisted primarily of charter flights, most of which originated in the United Kingdom and Europe. Since 2007, international charter service to and from the Orlando area declined substantially while scheduled international airline service increased. In Fiscal Year 2015, the Airport's share of international passengers increased to 97% of the combined total (the Airport and Sanford International Airport) while Sanford International Airport's share fell to 3% - its lowest historical share.

Airline Activity at the Airport

From 2010 to 2014, passenger airline service at the Airport, in terms of scheduled departing seats, decreased to U.S. destinations but increased considerably to international destinations, albeit on a smaller base. The decrease in domestic service at the Airport reflected the slow recovery from the 2008-2009 economic recession and continued capacity discipline practiced by airlines throughout the United States. Latin America led the growth in seats at the Airport between 2010 and 2014, followed by departures to Canada and Europe.

In Fiscal Years 2015 and 2016, scheduled departing seats at the Airport increased 8.2% and 6.4%, respectively, with each of the world regions showing increases, except for the Caribbean and lower South America in 2016 based on advance airline schedules. In Fiscal Year 2015, new airline service from Orlando was introduced by five airlines - Azul Airlines service to Sao Paulo (Viracopos), Brazil in December 2014, Lan Airlines service to Lima, Peru in June 2015, Tam Airlines service to Brasilia, Brazil in June 2015, - Emirates service to Dubai, United Arab Emirates in September 2015, and Icelandair service to Reykjavik, Iceland in September 2015.

Rental Automobile Concessions

The Authority entered into four rental automobile concession agreements with Avis Budget Car Rental, LLC (Avis and Budget brands), DTG Operations, Inc. (Dollar and Thrifty

brands), EAN-Orlando, LLC (Enterprise, Alamo and National brands), and The Hertz Corporation (Hertz brand) to streamline processing for rental car customers. The Authority subsequently entered into a fifth rental automobile concession agreement with Advantage Opco, LLC (Advantage and EZ Rent A Car brands). The five rental automobile concession agreements are in effect until March 31, 2020. The new concession agreements provided the opportunity for Hertz and Enterprise, both of which had previously been offsite, to bring their operations onsite at the Airport. Hertz had previously operated offsite for the last ten years. Enterprise, which acquired the Alamo and National brands, both of which were operating onsite at the Airport prior to the new concession agreements, was able to bring the three brands together onsite.

As a result of the rental automobile concession agreements and the expanded rental car facilities, more than 95% of the Airport rental car market can be served at the Airport.

Pursuant to the CFC Enabling Resolution, the Authority has been collecting CFCs equal to \$2.50 per day up to a maximum of five days since October 2008. The CFCs collected are currently being used to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile facilities at the Airport and to repay the CFC Bonds. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Senior Bond Resolution. At such time as the CFC Bonds have been retired and any other indebtedness or other amounts payable from CFCs have been paid and prior to the Consent Effective Date, CFCs will then be included in Revenues and will be available to the Authority for any lawful purpose. See "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto for more information on the ability of the Authority to designate all or a portion of CFC Revenues as "Available CFC Revenues" upon the Consent Effective Date.

Taxation of Facilities, Rentals and Services

All real and personal property owned by the City or the Authority and used exclusively for governmental, municipal or public purposes is currently exempt from ad valorem taxation. Real property owned by the City, operated by the Authority and used by or leased to private commercial entities for nongovernmental purposes is subject to ad valorem real property taxes. In most cases, a lessee is obligated under its lease with the Authority to pay such taxes. To the extent such taxes are not paid by the lessee, the Authority is obligated to reimburse the City for that portion of taxes assessed against real property operated by the Authority. The Authority is unable to estimate the amount of any such taxes it may be required to pay. However, to the extent the Authority reimburses the City for these taxes, the Authority expects that such taxes will be provided for in the Authority's annual budget, as an operating expense, and paid by rates, fees, rentals and other charges for use of the Airport System. No provision was made for the payment of any such ad valorem taxes in "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014."

All tangible personal property owned by private enterprises, including that owned by Airlines, which is located on municipally owned airports, is currently subject to Orange County tangible personal property taxation.

All gross income received by the Authority for rental of land, buildings or space in buildings (with certain exclusions for property used exclusively for aircraft landing or taxiing and space used by Airlines in connection with loading or unloading passengers or property or for fueling aircraft) is subject to the Florida Sales and Use Tax (currently six and one-half percent). Such taxes are normally added to such rents and paid by the tenants to the Authority, but the Authority is also responsible for the collection and payment of such taxes.

The Authority is subject to certain taxes imposed with respect to the rental of Hotel rooms and the providing of goods and services in connection with the operation of the Hotel, but such taxes are ordinarily added to the fees paid by customers of the Hotel.

SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY

Unless expressly defined herein, capitalized terms used in this section entitled "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" shall have the meanings assigned thereto in the Rate Resolution, a copy of which is attached hereto as Appendix D.

Transition to Rate Resolution

Prior to November 1, 2013 (the "Effective Date") the Authority established rates and charges and leased Airfield and Terminal facilities at the Airport under certain lease and use agreements. On the Effective Date, the Rate Resolution along with the determination of Rates and Charges set forth therein became effective and continues in effect until modified, amended or terminated by the Authority. Accordingly, on the Effective Date, any and all agreements between the Airlines and the Authority for the lease and use of the Airfield and Terminal facilities at the Airport (including the then existing lease and use agreements with the former signatory airlines) were terminated and deemed to be of no further force and effect, except with respect to certain payment obligations, any prior approvals for capital projects, and certain other obligations intended to survive termination pursuant to the terms of such agreements, which shall survive termination until such obligations have been satisfied. The documents underlying the Authority's rate making methodology include: (a) the Rate Resolution; (b) the Rate Methodology; (c) the Operating Permits; (d) the Letters of Authorization (e) the Revenue Sharing Agreements; and (f) the Authority Policies and Procedures. The Rate Resolution, Rate Methodology, Operating Permits, and Letters of Authorization set forth (i) the applicable Rates and Charges for Airline use of the Airfield and Terminal facilities at the Airport; (ii) the space, if any, assigned to each Airline on an exclusive or preferential use basis for its use; (iii) the timing and manner of required payments of Rates and Charges; and (iv) other applicable operating conditions and requirements at the Airport.

The Rate Resolution applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms thereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to the Effective Date or prior to commencement of operations at the Airport. In any event, use of the

Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges described or authorized in the Rate Resolution. Each Airline which has executed an Operating Permit is offered the opportunity to execute a Letter of Authorization to commit to certain exclusive or preferential space and obtain the benefit of rates that are calculated on a square footage basis (i.e., fixed monthly charge for assigned space). Letters of Authorization are also available to Airlines wishing to rent space other than holdrooms, ticket counters, bag make-up, and apron areas. Space (other than Exclusive Premises) not subject to a Letter of Authorization may be used by the Airline on a common use basis, but Airlines will be charged on a Per Turn or other activity basis. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY - Rate Methodology, Rates and Charges" herein.

Use and Occupancy of Terminal Premises

Pursuant to the Rate Resolution, the Authority may, from time to time, establish minimum or maximum space, facilities and/or equipment usage requirements, pursuant to Authority Policies and Procedures. Unless an Airline enters into a Letter of Authorization for Committed Premises, the Airlines shall only use such Terminal space, facilities and equipment as shall be assigned to them from time to time by the Authority. Use of particular Baggage System equipment shall be assigned by the Authority to Airlines from time to time based on operational efficiencies and Airline needs. Except with respect to International Gates, any Airline assigned specific Committed Premises pursuant to a Letter of Authorization shall be entitled to the exclusive or preferential use of such Committed Premises, as applicable, for the applicable term set forth in such Letter of Authorization. At such time as the Airline Premises are, in the reasonable discretion of the Executive Director, insufficient to support an Airline's operations or use of the Airline Premises exceeds the legal capacity for such space, facilities or equipment, the Authority is entitled to assign and charge to such Airline additional space, facilities or equipment on a Per Turn basis reasonably sufficient for such Airline's needs. Alternatively, such Airline may commit to occupy and use such additional space, facilities or equipment on an exclusive or preferential use basis in accordance with a Letter of Authorization. An Airline which includes an International Gate and holdroom as part of its Committed Space will receive preferential occupancy and use for scheduled flights of one or more International Gates, as assigned from time to time by the Authority, but not preferential occupancy and use of any particular International Gate.

Letters of Authorization may be for a duration of three months or longer and may be signed by an Airline at any time in order to classify Airline Premises as Committed Premises, but shall not be effective until signed by the Authority. Each Airline may, subject to its compliance with the Rate Resolution and Authority Policies and Procedures, use, in common with others so authorized by the Authority, all Airline Premises, including related space, facilities, equipment, Public Space, the Airfield Cost Center and Terminal Aprons for the operation of each Airline's Air Transportation Business and all activities reasonably necessary to such operations.

Rate Methodology, Rates and Charges

Each Airline is obligated to pay to the Authority Rates and Charges for the use and occupancy of the Airfield, Terminal Apron, and Terminal, which Rates and Charges are to be established by the Authority for each Fiscal Year and shall include, but not be limited to: Landing Fees, monthly charges for Committed Premises and other assigned Exclusive Use Premises, Facility Fees, FIS Fees, Airline Equipment Charges, Apron Use Fees and Common Use Baggage Charges. The specific Rates and Charges payable by Airlines during a Fiscal Year shall be calculated using the Rate Methodology based on estimates by the Authority of projected costs and Airline activity for the Fiscal Year. Within 30 days after the Board has accepted the audit for a Fiscal Year, the Authority shall recalculate Rates and Charges for such Fiscal Year based on actual costs and Airline activity, and provide notice to each Airline operating at the Airport during that Fiscal Year of the total actual Rates and Charges owed for such Fiscal Year, as compared to the Rates and Charges paid ("True-Up"). If an Airline has paid more Rates and Charges than was determined to be due following the True-Up, the Authority shall pay such excess to such Airline within 30 days after the True-Up calculation is complete. If an Airline has paid less Rates and Charges than was determined to be due following the True-Up, such Airline shall pay such shortfall to the Authority within 30 days after receipt of an invoice for such shortfall amount from the Authority, or the Authority may, in its discretion, recover such underpayment by offsetting such amount from any revenue sharing or other payments owed by the Authority to the affected Airline.

The Landing Fee Rate is established according to a cost center residual methodology to recover all Airfield costs net of Airfield revenues generated from users other than Airlines. The Apron Use Fee is established under a compensatory ratemaking methodology where the fee is calculated to recover the average cost for each of the operational gates in the Terminal Apron Cost Center. The Terminal Premises Rate is established under a commercial compensatory ratemaking methodology where the rate is calculated to recover the average cost of each square foot of Rentable Space in the Terminal Cost Center, including the proportionate share of the costs of non-rentable Terminal space. See "AUTHORITY FINANCIAL INFORMATION - Information Regarding Certain Sources of Revenue" herein.

Pursuant to the Revenue Sharing Agreements, Participating Airlines have waived their right to challenge the Rate Methodology set forth in the Rate Resolution. The Authority expects that upon the expiration of current Revenue Sharing Agreements on September 30, 2016, the Authority will continue to be able to impose rates and charges that would allow the Authority to generate Revenues sufficient to cover the debt service payments in respect of all Outstanding Senior Bonds and Subordinated Obligations, including the Series 2016 Subordinated Bonds.

Federal aviation law requires, in general, that airport fees be reasonable and that, in order to receive federal grant funding, all airport generated revenues must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner that are directly and substantially related to air transportation of passengers or property. Pursuant to the requirements of the Federal Aviation Administration Authorization Act of 1994, as subsequently amended in September 2013, the U.S. DOT and FAA have promulgated regulations setting forth an expedited hearing process to be followed in determining the reasonableness of airport rates and charges, and have also promulgated a policy

statement (the "Rates and Charges Policy"), which sets forth the standards that the U.S. DOT uses in determining the reasonableness of the fees charged to airlines and other aeronautical users. Any changes to the Rates and Charges Policy could impact the costs that are permitted to be included in determining the Airport's rate base and the extent to which such future guidelines may limit the Authority's flexibility in setting rates and charges for use of the Airport's Airfield and Terminal facilities. Any new FAA guidelines or any standards promulgated by a court in connection with a dispute could limit the amounts and allocation of costs payable by airlines serving the Airport.

The Authority believes that the rate methodology currently utilized by the Authority is reasonable and consistent with applicable law. However, there can be no assurance that a complaint will not be brought against the Authority with respect to the Rate Resolution, the Rate Methodology, or the Revenue Sharing Agreement, and, if a judgment is rendered against the Authority, there can be no assurance that rates and charges paid by the Airlines using the Airport facilities will not be reduced. For more information regarding various other terms of the Revenue Sharing Agreements, including the Participating Airlines' agreement therein to not challenge the Rate Methodology established under the Rate Resolution, see " - Revenue Sharing Agreements" below.

Annual Rate Changes

Prior to the end of each Fiscal Year, the Authority is required to notify the Airlines of the proposed schedule of initial Rates and Charges for the ensuing Fiscal Year and of any proposed changes in the Rate Methodology. The Executive Director has the authority to modify the Rate Methodology as deemed appropriate, and such modification shall be an amendment to the Rate Resolution and the modified Rate Methodology shall thereafter be incorporated therein, without any further action by the Board being required. If the Authority fails to complete the calculation of the new Rates and Charges and provide the required notice to the Airlines on or prior to the end of the then current Fiscal Year, the Rates and Charges then in effect shall continue to be paid by the Airlines until such calculations are concluded and such notice is given. All adjustments to Rates and Charges based on the True-Up or in accordance with the Fiscal Year end calculation of the proposed schedule of initial Rates and Charges, shall apply without the necessity of a formal consultation with the Airlines, Board action or any other approvals; provided there has been no change in the Rate Methodology.

Revenue Sharing Agreements

Airlines that are party to an effective Revenue Sharing Agreement (a) commit to the preferential assignment of at least one gate and associated space through September 30, 2016, and (b) agree not to challenge the rate methodology set forth in the Rate Resolution and not to finance or otherwise participate in any challenge of the rate methodology for Fiscal Year 2014 through Fiscal Year 2016, are deemed to be "Participating Airlines" and are entitled to obtain the benefits of revenue sharing pursuant to the terms set forth in the Revenue Sharing Agreement. According to the Revenue Sharing Agreement, Net Shared Revenues are equal to the amount by which (a) all Revenues generated by the operation of the Airport for a Fiscal Year (excluding Revenues generated from Airport Exclusive Revenue Sources) less (b) all Debt Service and

Operating Expenditures (including Operating Reserve Requirements) exceed \$45 million in Fiscal Year 2014, \$50 million in Fiscal Year 2015, and \$55 million in Fiscal Year 2016.

The Authority's current Revenue Sharing Agreements and the Participating Airlines' agreement therein to not challenge the Rate Methodology established under the Rate Resolution, terminate on September 30, 2016. The Authority is currently negotiating new Revenue Sharing Agreements for Fiscal Years 2017 through 2019. While the Authority cannot predict the final negotiated terms of new Revenue Sharing Agreements, the expiration of the current Revenue Sharing Agreements will not affect the Authority's obligation or ability to impose rates and charges sufficient to generate Revenues to cover the debt service payments in respect of all Outstanding Senior Bonds and Subordinated Obligations.

The following table provides a listing of Participating Airlines as of March 31, 2016.

**Participating Airlines
Orlando International Airport**

Aeromexico	Copa Airlines	Silver Airways	Virgin Atlantic Airways
Air Canada	Delta Air Lines	Southwest Airlines ⁽²⁾	WestJet
American Airlines ⁽¹⁾	Frontier Airlines	Spirit Airlines	
British Airways	jetBlue Airways	United Airlines ⁽³⁾	

⁽¹⁾ On April 8, 2015, American Airlines received FAA approval for a single operating certificate, providing for the integration of American Airlines and US Airways.

⁽²⁾ On March 1, 2012, Southwest Airlines received FAA approval for a single operating certificate, providing for the integration of Southwest Airlines and AirTran Airways.

⁽³⁾ On November 30, 2011, United Airlines received FAA approval for a single operating certificate, providing for the integration of United Airlines and Continental Airlines.

Source: The Greater Orlando Aviation Authority.

Subordination to Senior Bond Resolution

The Rate Resolution and all privileges granted to the Airlines thereunder are expressly made subordinate and subject to the lien, covenants (including the rate covenants), and provisions of the Senior Bond Resolution. To the extent the Rate Resolution is inconsistent with the Authority's requirements under the Senior Bond Resolution, the Rate Resolution shall be deemed amended to the extent and for the duration needed to allow the Authority to comply with such Senior Bond Resolution requirements. To the extent required by the Senior Bond Resolution or law, the holders of Senior Bonds or Subordinated Obligations or their designated representatives shall have the right to exercise any and all rights of the Authority under the Rate Resolution.

INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES

General - Revenues

Revenues are generally comprised of revenues received from Rates and Charges paid by Airlines as determined by the Rate Resolution, parking, concessions and rental car revenues, hotel revenues and rental revenues for other Airport buildings and sites. In Fiscal Year 2015, Rates and Charges paid by Airlines accounted for 34.2% of total Revenues; while concessions, parking and rental car revenues accounted for 52.3%; followed by hotel revenues which accounted for 9.3% and other buildings and ground revenue sources which accounted for 4.2%.

Information Regarding Sources of Revenue

Airfield Area Revenue Sources. Sources of Airfield area revenues include fees for landing passenger and cargo aircraft, apron use, and fuel system rental and fees.

Airfield area revenue sources amounted to approximately \$38.2 million for Fiscal Year 2015 compared with approximately \$35.2 million for Fiscal Year 2014 representing an increase of approximately \$3.0 million or 8.5% due to an increase in airline activity and additional landing fee revenues. For the six-months ended March 31, 2016 Airfield area revenues amounted to approximately \$22.5 million compared to \$20.4 million for the six months ended March 31, 2015 representing an increase of \$2.1 million or 10.3% due to an increase in airline activity and additional landing fee revenues.

Terminal Area Revenue Sources. Sources of Terminal area revenues include space rentals, privilege fees for the operation of terminal concessions, baggage fees and other miscellaneous airline fees. Sources of terminal concession revenues are food and beverage concessions, merchandise concessions, and other terminal concessions. The Authority has a written statement of policy for awarding concession and consumer service privileges at the Airport. In accordance with this policy, the Authority specifies performance and operating standards in its agreements with concessionaires in furtherance of its public service and revenue goals. Under the various concession agreements, the concessionaires pay to the Authority the greater of a percentage of gross receipts or a minimum annual guarantee.

Terminal area revenues totaled approximately \$176.4 million for Fiscal Year 2015 compared with approximately \$163.4 million for Fiscal Year 2014 representing an increase of approximately \$13.0 million or 8.0% primarily due to a new common use baggage system charge effective for a full Fiscal Year as compared to only 11 months in Fiscal Year 2014 when the change became effective, and increases in concessions, Facility Fees and Federal inspection fee revenue as a result of increased passenger activity. For the six-months ended March 31, 2016 Terminal area revenues amounted to approximately \$97.4 million compared to \$89.0 million for the six-months ended March 31, 2015 representing an increase of approximately \$8.4 million or 9.5%. The increase is primarily due to an increase in Facility and Federal Inspection Station Fee Revenue resulting from an increase in international passenger traffic and the addition of service by several new airlines in 2015 as well as increases in baggage revenue as a result of higher passenger traffic. Terminal area rents have also increased due to additional space acquired by Frontier, Southwest, Delta and JetBlue.

Ground Transportation Revenue Sources. Ground transportation revenue sources consist of rental car concessions, taxi, shuttle and bus ground transportation revenues, and public parking revenues.

Revenues received by the Authority in connection with rental car services for Airport passengers are the largest source of nonairline revenue at the Airport. The Authority receives privilege fees and rents (associated with ready/return spaces, terminal counter space, and quick turnaround facilities) from rental car companies serving Airport customers. The Authority estimates that the rental car operators operating at the Airport now serve approximately 95% of rental car customers that use the Airport. In February 2015, the Authority approved the extension of current rental car agreements for an additional three years, extending the scheduled termination date from March 31, 2017 to March 31, 2020.

Under the agreements, the rental car operators pay (a) 10% of gross receipts (which are applied to both onsite and offsite operators), however onsite operators must pay the greater of 10% of gross receipts or a minimum annual guarantee calculated each year based on gross receipts for the prior year, with the exception of the first period (b) ready/return space rent on a per space basis, (c) QTA rent, and (d) rent for terminal counters, office, and queuing space. For the period of April 1, 2015 to March 31, 2016 the aggregate minimum annual guarantee is \$63.16 million. QTA facility rent includes ground rent. In addition, rental car operators pay for all operating, utility, maintenance, and service management expenses. The foregoing constitute Revenues under the Senior Bond Resolution.

As previously discussed, rental car customers also pay CFCs. However, such CFCs are not included as part of the Revenues. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Limitations on Additional Authority Indebtedness" and "- Rate Covenant under Master Subordinated Indenture" and "AUTHORITY INDEBTEDNESS - CFC Indebtedness" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date.

Public automobile parking is the third highest source of revenue at the Airport, accounting for \$54 million, or approximately 12.6% of Operating Revenues, in Fiscal Year 2015. Parking facilities located on the Airport provide 19,129 public automobile parking spaces. The Authority offers three parking options: (a) garage parking located above or adjacent and connected to Terminals A and B; (b) curbside valet parking, and (c) economy parking located at remote lots less than one mile from Terminals A and B. In addition to the public parking spaces, parking revenues are generated from private parking, Hyatt parking, and employee parking.

Public parking facilities at the Airport are operated for the Authority under a management agreement with ABM System Parking, Inc. (formerly Ampco System Parking). Under the agreement, the Authority receives all revenues and pays most of the costs to operate and maintain the facilities plus a management fee to ABM System Parking, Inc. All other operational costs are included in the management fee. The budget for operating expenses is subject to review by the Authority, which can adjust staffing levels and related costs in response to parking demand and level of service standards. ABM System Parking has been operating under a

management agreement with the Authority since 2007. The Authority's current management agreement with ABM System Parking agreement is scheduled to expire on September 30, 2016. However, the Authority has the option to extend the agreement to September 30, 2017.

Ground transportation revenues totaled approximately \$158.2 million in Fiscal Year 2015 compared with approximately \$148.2 million in Fiscal Year 2014 representing additional revenue received from rental car companies, including an increase in garage and satellite parking revenue consistent with the increase in passenger traffic. For the six-months ended March 31, 2016 ground transportation revenues amounted to approximately \$81.3 million compared to \$75.8 million for the six-months ended March 31, 2015 representing an increase of approximately \$5.5 million or 7.3% due to increases in garage and satellite parking revenues as a result of additional passenger traffic. Additional rental car revenue was realized as a result of increases in the minimum annual guarantee for three rental car companies.

Other Buildings and Grounds Revenue Sources. Other buildings and grounds revenues are the fees associated with fixed base operators, cargo apron use, in-flight catering and other building and land rentals. Tenants of buildings and grounds at the Tradeport and other airport areas pay rentals and fees for the use of such buildings and sites. Revenues from these areas amounted to approximately \$17.6 million for Fiscal Year 2015 and approximately \$16.5 million for Fiscal Year 2014, an increase of \$1.2 million or 7.1% primarily due to a settlement amount received from an airline in connection with their operations center lease agreement.

For the six-months ended March 31, 2016 other buildings and grounds revenue amounted to approximately \$9.0 million compared to \$8.2 million for the six-months ended March 31, 2015.

Hotel Revenue Sources. Hotel revenues are derived from rooms, food and beverage, telecommunications and other rentals and income from the Hyatt Hotel located at the North Terminal Complex. The hotel is owned by the Authority and operated under a management contract. Hotel revenues totaled approximately \$37.4 million for Fiscal Year 2015 and approximately \$33.2 million for Fiscal Year 2014. The additional revenue in Fiscal Year 2015 is due to an increase in the occupancy rate and increased food and beverage sales. For the six-months ended March 31, 2016 hotel revenue amounted to \$22.5 million compared to \$20.5 million for the six-months ended March 31, 2015. The hotel experienced this \$1.9 million or 9.4% increase in revenue due to higher occupancy, higher average daily room rates and increased food and beverage revenue.

The Hyatt Corporation has operated the hotel since its opening in 1992 under a management agreement with the Authority. The Authority recently approved a new hotel management agreement with the Hyatt Corporation, effective October 1, 2015, that has a 20-year term. Under the new management agreement, the Authority will continue to receive all revenues from the operation of the hotel and will pay all debt service, and operating and maintenance costs associated with its operation. The Authority annually pays Hyatt Corporation a percentage of gross receipts as a management fee, along with certain other amounts. Under the new agreement, the management fee paid to Hyatt Corporation will decrease from 4.0% to 2.75% of gross receipts.

General - Other Funding Sources

Federal Grants-in-Aid, Passenger Facility Charges, PFCs are among some of the other sources of funding available to the Authority which do not generally constitute Revenues. For more information regarding the Authority's various sources of revenues see "AUTHORITY FINANCIAL INFORMATION - Information Regarding Certain Sources of Revenue" herein.

Applicability of Rate Resolution

The Rate Resolution applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms thereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges described or authorized in the Rate Resolution. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" herein.

Federal Grants-in-Aid

The Airport and Airway Improvement Act of 1982 created the Airport Improvement Program (the "AIP"), which is administered by the FAA and funded by the Airport and Airway Trust Fund. This fund is financed by various federal aviation user taxes. Grants are available to airport operators across the country in the form of "entitlement" funds and "discretionary" funds. Entitlement funds are apportioned annually based upon cargo volume and enplaned passengers, and discretionary funds are available at the discretion of the FAA based upon a national priority system. Actual entitlement funds will vary with the actual number of passenger enplanements and cargo volume, with total appropriations for the AIP and with any revision of the existing statutory formula for calculating such funds. In addition, pursuant to the PFC Act (defined below) and the Aviation Investment and Reform Act for the 21st Century, an airport's annual Federal entitlement grants are reduced by 50% following the imposition of PFCs at the \$3.00 level and by 75% following imposition at the \$4.00 or \$4.50 level.

In Fiscal Year 2015, the Authority received \$5.7 million in federal grants-in-aid, compared to \$14.0 million in Fiscal Year 2014. No assurance can be given that federal grants-in-aid will actually be received in the amount or at the time contemplated by the Authority. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - FAA Reauthorization and Federal Funding" herein for more information regarding federal grants.

Passenger Facility Charges

As part of the Aviation Safety and Capacity Expansion Act of 1990, as amended from time to time (the "PFC Act"), as implemented by the FAA pursuant to published regulations (the "PFC Regulations"), the United States Congress has authorized certain commercial service airports such as the Airport to collect passenger facility charges ("Passenger Facility Charge" or

"PFC") from each eligible passenger enplaned at such airport in the amount of \$1.00, \$2.00, \$3.00, \$4.00 or 4.50, subject to certain limitations, set forth in the regulations promulgated by the FAA implementing the PFC Act. Airport-related projects eligible for PFCs, are those that preserve or enhance capacity, safety or security of the national air transportation system, reduce noise from an airport that is part of the system or provide an opportunity for enhanced competition between or among air carriers or foreign air carriers. "Eligible airport related projects" include airport development or planning, terminal development, airport noise compatibility measures and planning and construction of gates and related areas (other than restaurants, rental car facilities, automobile parking or other concessions) for the movement of passengers and baggage.

PFCs are collected on behalf of airports by air carriers, certain foreign air carriers and their agents ("Collecting Carriers"). The Collecting Carriers are authorized to withhold, as a collection fee (a) eleven cents per enplaning passenger from whom a PFC is collected and (b) any investment income earned on the amount collected prior to the due date of the remittance. The PFC Act was amended in 1996 to provide that PFC Revenues that are held by a Collecting Carrier constitute a trust fund that is held for the beneficial interest of the eligible agency imposing the fee and that the Collecting Carrier holds neither legal nor equitable interest in the PFC Revenues, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, PFC Regulations require Collecting Carriers to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds in financial statements. The Collecting Carriers, however, are permitted to commingle PFC collections with the carriers' other sources of revenue and are also entitled to retain interest earned on PFC collections until such PFC must be remitted.

PFC applications for specific projects (including debt service on obligations issued to fund such projects) are approved by the FAA in specific total amounts and the Authority may impose the designated PFC only until it collects the authorized total amount. Interest earnings on the collections are treated as collections for purposes of the authorized total. The Airport has imposed the Passenger Facility Charge since February 1993. The Authority has received approval from the FAA to collect and use PFCs under 16 applications for a total of approximately \$2.8 billion in collection authority. Through March 31, 2016, PFC Revenues received by the Authority, including investment earnings, totaled \$1,175,845,776 of which \$916,010,962 had been expended on approved project costs. The Authority is currently authorized to impose a PFC of \$4.50 per enplaned passenger at the Airport which is presently scheduled to decline to \$3.00 per enplaned passenger when total PFC collections reach \$1.67 billion (estimated to occur in Fiscal Year 2022). However, the Authority currently expects to amend its existing PFC Applications to maintain a collection level of \$4.50 per enplaned passenger. The amendments are expected to provide: (a) a decrease in the approved collection authority for PFC Application 7 and PFC Application 8 in connection with the initial approval to design and construct the South Terminal Complex; and (b) an increase in the approved collection authority for PFC Application 16 as a result of additional eligible costs in connection with the Airside 4 Project. The Authority also plans to modify the plan of finance to include PFC pay-as-you-go funding in addition to PFC supported financing. Additionally, the Authority also expects to submit a new PFC Application 18 to fund ten projects included in the 2016 - 2023 Capital Improvement Program. The fiscal impact is: (a) a reduction totaling \$7,035,674 to the Authority's approved impose and use authority for PFC Application 7, (b) a reduction totaling

\$198,799,091 to the Authority's approved impose and use authority for PFC Application 8, (c) an increase of \$15,000,000 to the Authority's approved impose and use authority for PFC Application 16, and (d) an increase of \$1,315,194,422 in PFC funding related to PFC Application 18. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Cost and Schedule of 2016 - 2023 Capital Improvement Program" and " - Passenger Facility Charges" herein.

PFCs may be used, subject to applicable regulations, either to pay debt service on all or a portion of bonds secured by PFCs up to a specified amount, or to pay for eligible capital improvements on a pay-as-you-go basis, as specified in the applicable approval. As further described below, and as set forth in detail in "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto, PFCs are included in the definition of Revenues for purposes of the Senior Bond Resolution, but only to the extent that PFC Revenues constitute Available PFC Revenues for the applicable period. The term "Available PFC Revenues" is defined to mean PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times Debt Service accruing during such period with respect to that portion of the Senior Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority.

The use of Available PFC Revenues permits the Authority to add to Revenues such PFC Revenues received in the relevant period by an amount equal to the portion of Debt Service and coverage requirements attributable to the portions of the Senior Bonds allocated to finance PFC Projects. To ensure that an amount equal to the amount of Available PFC Revenues deposited in the Revenue Fund is used for permitted uses of PFC Revenues, the Senior Bond Resolution requires the Authority to deposit in the PFC Account established in the Discretionary Fund an amount equal to the difference between (a) the amount of Available PFC Revenues deposited in the Revenue Fund, plus amounts withdrawn from the PFC Account to cure Debt Service deficiencies and Operation and Maintenance Expense deficiencies, and (b) the Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by an Authorized Officer of the Authority. Amounts in the PFC Account not required to cure such deficiencies or to pay such Accrued Aggregate Debt Service may be withdrawn by the Authority at any time and applied by the Authority, in its discretion, for permitted purposes in accordance with the applicable approvals and authorization of the FAA and applicable regulations. PFC Revenues received in any period in excess of Available PFC Revenues for such period, and PFC Revenues accumulated from earlier periods not constituting Available PFC Revenues for such earlier period, do not constitute Revenues and are not subject to the pledge and lien established by the Senior Bond Resolution.

On the Consent Effective Date, the Available PFC Revenues pledged to Senior Bonds outstanding shall continue to be so pledged subsequent to such Consent Effective Date. However, Available PFC Revenues subsequent to the Consent Effective Date shall be utilized in accordance with the Proposed Amended and Restated Bond Resolution, including, in particular, Section 727 thereof. Subsequent to the Consent Effective Date, such Available PFC Revenues can only be pledged to secure Senior Bonds or Subordinated Obligations to the extent provided for by an Issuing Instrument pursuant to the Proposed Amended and Restated Bond Resolution or the Master Subordinated Indenture. For a summary of the Consent Amendments which include, among other things, substantive changes relating to certain provisions regarding the

treatment of PFC Revenues, see "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto.

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The following table provides a listing of the Authority's PFC applications to date (without giving effect to the proposed amendments to PFC Application 7, PFC Application 8 and PFC Application 16 or the proposed new PFC Application 18), and the collection authority, collections, and expenditures under each.

Passenger Facility Charges⁽¹⁾

Application Number	Collection Authority	Collections through March 31, 2016	Expenditures⁽²⁾ through March 31, 2016
92-01-C-05-MCO (Closed)	\$ 34,099,841	\$ 34,099,841	\$ 34,099,841
93-02-C-01-MCO (Closed)	8,140,005	8,140,005	8,140,005
95-03-C-02-MCO (Closed)	18,637,986	18,637,986	18,637,986
96-04-C-08-MCO (Closed)	58,845,584	58,845,584	58,845,584
98-05-C-05-MCO (Closed)	114,471,533	114,471,533	114,471,533
99-06-C-03-MCO	115,293,664	115,293,664	75,481,130
00-07-C-03-MCO	181,271,854	181,271,854	77,861,342
00-08-C-01-MCO	253,632,770	253,632,770	33,038,981
02-09-C-06-MCO	130,796,988	130,796,988	94,689,300
05-10-C-10-MCO	749,303,511	260,655,551	293,514,823
07-11-C-01-MCO	49,330,000	-	22,272,867
09-13-C-02-MCO	227,788,000	-	32,410,334
11-14-C-01-MCO	28,452,400	-	14,775,121
13-15-C-00-MCO	189,994,500	-	11,299,013
13-16-C-00-MCO	232,500,000	-	83,962
14-17-C-00-MCO	396,491,622	-	26,389,140
Total Authority:	\$2,789,050,258	\$1,175,845,776	\$916,010,962

⁽¹⁾ The Authority is currently authorized to impose a PFC of \$4.50 per enplaned passenger at the Airport until it reaches total collections of \$1.67 billion at which time the Authority's PFC collection authority is presently scheduled to decline to \$3.00 per enplaned passenger (estimated to occur in Fiscal Year 2022). The Authority has approved the amendment of its existing PFC applications and expects to submit a new application for future projects that will allow the Authority to maintain a collection level of \$4.50 per enplaned passenger. See the discussion under the caption "INFORMATION CONCERNING CERTAIN FUNDING SOURCES - Passenger Facility Charges" above for information relating to proposed amendments to PFC Application 7, PFC Application 8 and PFC Application 16 and a proposed new PFC Application 18.

⁽²⁾ Expenditures for each application may commence upon notification of the approval of the Application. For reporting purposes, PFC collections are reported as applied to each application in order of the applications until the collection authority amount has been met for each application. As a result of this reporting method, there are allowable expenditures reported for applications that may not show collections directly assigned to them.

Source: The Greater Orlando Aviation Authority.

Customer Facility Charges

Pursuant to the CFC Enabling Resolution, the Authority collects a CFC currently equal to \$2.50 per day up to a maximum of five days. The Authority has currently pledged the CFCs as security for the CFC Bonds. While the CFC Bonds are outstanding, CFCs are not included in

Revenues under the Senior Bond Resolution. At such time as the CFC Bonds have been retired and any other indebtedness or other amounts payable from CFCs have been paid and prior to the Consent Effective Date, CFCs will then be included in Revenues and will be available to the Authority for any lawful purpose. See "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS - Limitations on Additional Authority Indebtedness" and " - Rate Covenant under Master Subordinated Indenture" and "AUTHORITY INDEBTEDNESS - CFC Indebtedness" herein and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE" and "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date.

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AUTHORITY FINANCIAL INFORMATION

The following table shows the debt service requirements for the Series 2016 Subordinated Bonds, the Outstanding Senior Bonds and Outstanding Other Parity Obligations, prior to the issuance of the Series 2016 Subordinated Bonds.

Debt Service Requirements

Fiscal Year Ending September 30	Total Debt Service Requirements ⁽¹⁾						
	Outstanding Airport Facilities Revenue Bonds Debt Service ⁽²⁾	Outstanding Other Parity Obligations ⁽³⁾	Principal of Series 2016 Subordinated Bonds	Interest on Series 2016 Subordinated Bonds	Total Series 2016 Subordinated Bonds Debt Service	Total Subordinated Obligations	Total Aggregate Debt Service
2016	\$ 115,455,279	-	\$14,165,000	\$ 719,756	\$14,884,756	\$ 14,884,756	\$ 130,340,035
2017	116,019,905	-	4,420,000	3,138,250	7,558,250	7,558,250	123,578,155
2018	118,496,054	-	4,640,000	2,917,250	7,557,250	7,557,250	126,053,304
2019	103,549,599	-	4,870,000	2,685,250	7,555,250	7,555,250	111,104,849
2020	103,550,433	\$ 2,459,025	5,115,000	2,441,750	7,556,750	10,015,775	113,566,208
2021	100,995,547	2,510,190	5,370,000	2,186,000	7,556,000	10,066,190	111,061,737
2022	76,037,739	2,565,279	5,640,000	1,917,500	7,557,500	10,122,779	86,160,518
2023	53,198,024	2,621,557	5,920,000	1,635,500	7,555,500	10,177,057	63,375,081
2024	43,449,450	2,679,047	6,215,000	1,339,500	7,554,500	10,233,547	53,682,997
2025	43,445,254	2,737,775	6,525,000	1,028,750	7,553,750	10,291,525	53,736,779
2026	43,410,057	2,797,768	6,855,000	702,500	7,557,500	10,355,268	53,765,324
2027	43,368,611	2,859,051	7,195,000	359,750	7,554,750	10,413,801	53,782,413
2028	63,482,662	2,921,651				2,921,651	66,404,313
2029	29,868,000	2,985,598				2,985,598	32,853,598
2030	29,865,119	3,050,916				3,050,916	32,916,035
2031	29,867,575	3,117,636				3,117,636	32,985,211
2032	29,865,869	3,185,788				3,185,788	33,051,657
2033	24,298,000	3,255,401				3,255,401	27,553,401
2034	24,298,000	3,326,505				3,326,505	27,624,505
2035	24,300,750	3,399,131				3,399,131	27,699,881
2036	24,304,250	3,399,131				3,399,131	27,703,381
2037	24,298,000	2,828,552				2,828,552	27,126,552
2038	24,302,400	-					24,302,400
2039	24,305,050	-					24,305,050
2040	13,954,050	-					13,954,050
2041	13,955,000	-					13,955,000
2042	13,953,250	-					13,953,250
2043	13,949,250	-					13,949,250
2044	13,946,750	-					13,946,750
2045	13,949,250	-					13,949,250
Total	\$1,397,739,177	\$52,700,000	\$76,930,000	\$21,071,756	\$98,001,756	\$150,701,756	\$1,548,440,933

⁽¹⁾ Numbers may not add due to rounding.

⁽²⁾ Reflects debt service on all Outstanding Senior Bonds.

⁽³⁾ Includes estimated debt service on the FDOT Loan assuming the full amount is drawn, but excludes debt service on amounts drawn and outstanding under the Existing Lines of Credit.

Source: The Greater Orlando Aviation Authority.

Historical Statement of Revenues and Expenses

The following table presents historical amounts of Revenues and Expenses of the Airport for Fiscal Years 2011 through 2015 and for the six months ended March 31, 2015 and 2016. These historical amounts relate solely to the Orlando International Airport and do not include revenues and expenses for the Orlando Executive Airport; however, the "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014" attached hereto present the combined financial position, results of operations and cash flows of Orlando International Airport and Orlando Executive Airport. For more information regarding Authority Revenues and other funding sources see "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES" herein.

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Statement of Revenues, Expenses and Changes in Net Position
Audited Fiscal Years 2011-2015
and the Unaudited Six Months Ended March 31, 2015 and 2016
(in thousands)

	Fiscal Year Ended September 30				Unaudited Six Months Ended March 31		
	2011	2012 ⁽¹⁾	2013 ⁽¹⁾⁽²⁾⁽⁵⁾	2014 ⁽⁵⁾	2015	2016	
	Operating Revenues:						
Airfield Area	\$ 34,008	\$ 34,169	\$ 36,912	\$ 35,211	\$ 38,194	\$ 20,418	\$ 22,477
Terminal Area	137,320	142,623	148,623	163,362	176,404	88,977	97,424
Ground Transportation	138,369	139,138	143,804	148,235	158,248	75,752	81,266
Other buildings and grounds	15,462	16,648	16,134	16,474	17,645	8,150	9,014
Hotel	30,390	31,358	32,385	33,180	37,384	20,524	22,460
Total Operating Revenues	\$ 355,549	\$ 363,936	\$ 377,858	\$ 396,462	\$ 427,875	\$213,821	\$232,641
Operating Expenses							
Operation and Facilities	(112,924)	(117,119)	(116,468)	(115,453)	(127,418)	(61,146)	(63,003)
Safety and Security	(24,338)	(25,341)	(26,380)	(26,796)	(30,175)	(14,211)	(16,630)
Administration	(25,830)	(28,598)	(30,733)	(34,174)	(42,964)	(20,248)	(23,342)
Hotel	(25,776)	(26,174)	(26,425)	(26,604)	(28,168)	(14,831)	(15,877)
Other	(10,106)	(8,404)	(8,626)	(8,400)	(9,042)	(4,765)	(4,622)
Total Operating Expenses before depreciation	(\$ 198,974)	(\$ 205,636)	(\$ 208,632)	(\$ 211,427)	(\$ 237,767)	(\$115,201)	(\$123,474)
Operating Income before depreciation	156,575	158,300	169,226	185,035	190,108	98,620	109,167
Depreciation	(116,354)	(117,197)	(117,914)	(117,529)	(117,888)	(58,984)	(58,764)
Operating Income	\$ 40,221	\$ 41,103	\$ 51,312	\$ 67,506	\$ 72,220	\$ 39,636	\$ 50,403
Non-Operating Revenues (Expenses):							
Investment Income	4,439	2,713	2,393	2,061	3,057	1,126	2,950
Net Increase (decrease) in the fair value of investments	(239)	94	(2,971)	1,274	1,861	1,522	563
Interest Expense	(65,403)	(57,670)	(52,980)	(46,569)	(46,606)	(21,678)	(21,980)
Participating Airline Net Revenue Sharing ⁽³⁾	(16,352)	(17,273)	(18,932)	(51,553)	(60,785)	(2,169)	(10,675)
Passenger Facility Charges	70,277	69,151	67,011	67,501	73,016	36,371	41,154
Customer Facility Charges	23,295	23,715	23,169	23,951	25,039	12,521	13,707
Federal and State Grants	1,101	1,918	735	460	167	1,724	1,602
Other	2,856	460	788	371	228	101	11
Income Before Capital Contributions	\$ 60,195	\$ 64,211	\$ 70,525	\$ 65,002	\$ 68,197	\$ 69,154	\$ 77,735
Capital Contributions ⁽⁴⁾	15,922	24,064	21,693	31,909	32,609	9,369	55,481
Increase in Net Position	\$ 76,117	\$ 88,275	\$ 92,218	\$ 96,911	\$ 100,806	\$ 78,523	\$133,216
Total Net Position, Beginning of year	1,434,136	1,488,984	1,547,950	1,640,168	1,737,079		
Total Net Position, End of year	\$1,510,253	\$1,577,259	\$1,640,168	\$1,737,079	\$1,837,885		

⁽¹⁾ Interest expense and unrestricted net position have been restated for Fiscal Years 2013 and 2012 as a result of the implementation of GASB 65 in Fiscal Year 2014. Interest expense and unrestricted net position have not been restated for Fiscal Years prior to 2012 due to the fact that the information is not readily available and it is not practical to accumulate the information. See "AUTHORITY FINANCIAL INFORMATION - Implementation of GASB 65" herein.

⁽²⁾ Restated.

⁽³⁾ Pursuant to the Rate Resolution, effective November 1, 2013, all prior lease and use agreements with the Airlines were terminated. As a result, the Authority no longer maintains information categorizing Airlines as "Signatory" or "Non-Signatory." Data reported as "Participating Airline Net Revenue Sharing" for Fiscal Years 2010 through 2013 reflects amounts paid to Signatory Airlines under the prior lease and use agreements.

⁽⁴⁾ Includes amounts received as grants from federal and state programs.

⁽⁵⁾ Operating expenses and unrestricted net position have been restated for Fiscal Years 2014 and 2013 as a result of the implementation of GASB 68 in Fiscal Year 2015. See "AUTHORITY FINANCIAL INFORMATION - Implementation of GASB 68" herein. Operating expenses and unrestricted net position have not been restated for Fiscal Years prior to 2013 due to the fact that the information is not readily available and it is not practical to accumulate the information.

Source: The Greater Orlando Aviation Authority.

Analysis of Airport Financial Results

Fiscal Year Ended September 30, 2014. The Airport reported operating income of \$67.5 million and income before capital contributions of \$65.0 million. The operating revenues of the Authority increased \$18.6 million in Fiscal Year 2014, or 4.9% from the previous year, due to greater airline, concession, rental car revenues and the implementation of a common use baggage system charge. An increase in operating expenses, before depreciation of approximately \$2.8 million, or 1.3%, from Fiscal Year 2013 to 2014 was primarily due to an increase in baggage handling services costs and safety and security costs incurred as a result of law enforcement officers stationed at security checkpoints. Professional services also increased as a result of the development of an enhanced customer service experience program, services for payment card industry data security standard compliance related programs and additional staff support services.

Fiscal Year Ended September 30, 2015. The Airport reported operating income of \$72.2 million and income before capital contributions of \$68.2 million. The operating revenues of the Authority increased \$31.4 million in Fiscal Year 2015, or 7.9% from Fiscal Year 2014, due to greater airline, hotel, parking and rental car revenues. Participating Airline Revenue increased \$10.6 million or 9.3% primarily due to an increase in baggage system fees that were introduced with the Rate Resolution effective November 1, 2013. Fiscal Year 2015 was the first full year of baggage system fees as compared to only 11 months in the prior Fiscal Year. Federal inspection station and facilities fees increased \$1.2 million consistent with the increase in international passengers. Overall Concession Revenues increased \$2.1 million or 4.2% as a result of an increase in passengers. Ground Transportation revenues increased \$10.0 million or 6.8% primarily due to an increase in rental car company and parking revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$4.2 million or 12.7% increase in hotel revenues. An increase in operating expenses, before depreciation of approximately \$26.3 million, or 12.5%, from Fiscal Year 2014 to 2015 was primarily due to an increase in baggage handling services costs, federal inspection services and other direct support for the increase in international travelers. Safety and security costs increased as a result of additional security staffing for international flights arriving during off hours. In addition, repairs and maintenance projects increased including maintenance on passenger boarding bridges, as well as contractual increases in salaries and benefits and other professional services contributed to the increase in operating expenses. There was also an increase in other professional services primarily due to the implementation of a new Air Service Incentive Plan.

Six-Month Period Ended March 31, 2016 and 2015 (unaudited). The Authority reported operating income of \$50.4 million and income before capital contributions of \$77.7 million for the six month period ended March 31, 2016, compared to operating income of \$39.6 million and income before capital contributions of \$69.2 million for the six-month period ended March 31, 2015. Operating revenues for the six month period ended March 31, 2016 increased approximately \$18.9 million or 8.8% when compared to the six-month period ended March 31, 2015 primarily due to increases in landing, baggage, concession, parking and rental car revenues as a result of increase in passenger activity and the addition of several new airlines in Fiscal Year 2015. Operating expenses, before depreciation, increased approximately \$8.2 million or 7.2% primarily due to increases in maintenance related projects such as roadway, and pavement repairs. In addition, contractual services increased as a result of an agreement with US Customs

and Border Protection to pay for overtime hours for agents working inspection stations to meet increased international flights. Administration expenses also increased as a result of increases in professional services, maintenance contracts, environmental consultants and promotional activities.

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Historical Debt Service Coverage

The following table presents the historical debt service coverage for the Senior Bonds, pursuant to the Senior Bond Resolution for Fiscal Years 2011 through 2015.

Historical Debt Service Coverage Per Airport Facilities Revenue Bond Resolution Fiscal Years 2011 - 2015 (in thousands)

	Fiscal Year Ended September 30				
	2011	2012	2013	2014	2015
Senior Bonds Rate Covenant:					
Revenues Per Senior Bond Resolution ⁽¹⁾	\$393,262	\$396,984	\$463,377	\$418,696	\$450,701
Less: Operations and Maintenance Expenses per Senior Bond Resolution ⁽²⁾	(187,453)	(192,672)	(198,191)	(208,394)	(221,726)
Net Revenues	<u>\$205,809</u>	<u>\$204,312</u>	<u>\$265,186</u>	<u>\$210,302</u>	<u>\$228,975</u>
Less: Required Account Deposits:					
Airport Facilities Operations and Maintenance Reserve Fund	\$ 1,406	\$ 1,064	\$ 1,935	\$ 1,001	\$ 1,978
Airport Facilities Capital Expenditure Fund	-	-	-	-	-
Airport Facilities Renewal and Replacement Fund	-	-	-	-	-
Total Required Account Deposits	<u>\$ 1,406</u>	<u>\$ 1,064</u>	<u>\$ 1,935</u>	<u>\$ 1,001</u>	<u>\$ 1,978</u>
Net Revenues available for Debt Service on Senior Bonds	<u>\$204,403</u>	<u>\$203,248</u>	<u>\$263,251</u>	<u>\$209,301</u>	<u>\$226,997</u>
Debt Service on Senior Bonds	<u>\$120,392</u>	<u>\$119,719</u>	<u>\$161,391</u>	<u>\$101,472</u>	<u>\$105,803</u>
Coverage Ratio for Senior Bonds Rate Covenant (125% required)	1.70	1.70	1.63	2.06	2.15

⁽¹⁾ Revenues are earned by the Airport Facilities Revenue Account, before revenue sharing with airlines required by the Airlines Lease and Use Agreement and on the Rate and Revenue Sharing Agreement, see Note 15 of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as Appendix E for more information, plus miscellaneous receipts in the Operations and Maintenance Account.

⁽²⁾ Expenses and encumbrances incurred within the Airport Facilities Operations and Maintenance Account.

Source: The Greater Orlando Aviation Authority.

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The following table shows the amounts that would have been available for payment of Subordinated Indebtedness under the Senior Bond Resolution for Fiscal Years 2011 through 2015.

**Net Revenues Available for Payment of Subordinated Indebtedness
Fiscal Years 2011 - 2015
(in thousands)**

	Fiscal Year Ended September 30				
	2011	2012	2013	2014	2015
Available Net Revenues for payment of Subordinated Indebtedness:					
Net Revenues	\$205,809	\$204,312	\$265,186	\$210,302	\$228,975
Debt Service on Senior Bonds	120,392	119,719	161,391	101,472	105,803
Available Net Revenues for payment of Subordinated Indebtedness	\$ 85,417	\$ 84,593	\$103,795	\$108,830	\$123,172

Source: The Greater Orlando Aviation Authority.

Implementation of GASB 68

The GASB issued *Statement Number 68, Accounting and Financial Reporting for Pensions* (as amended by *GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*), effective for Fiscal Year ended September 30, 2015 ("GASB 68"). These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals and expenses. The requirements of GASB 68 and 71 require an adjustment to eliminate the net pension asset and recognition of a net pension liability for the defined benefit pension plan. See Notes 1 and 8 of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as Appendix E.

The financial information included in Statement of Revenues, Expenses and Changes in Net Position for the six months ended March 31, 2016 and 2015 has been adjusted for the impact of GASB 68, with the exception of any impact for the Authority's share of the net pension liability for the firefighters employed by the Authority all of whom participate in the Florida Retirement System ("FRS"), as this information is not yet available.

Pension and Other Postemployment Benefits

General. The following information contained in this subsection has been extracted from *Notes 1, 8 and 9* of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as Appendix E. For a more detailed discussion and additional information regarding the Authority's pension plans, and other post-employment benefits refer to the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as Appendix E.

Pension Benefits. The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters.

Single-Employer Defined Benefit Pension Plan. The Authority contributes to the Defined Benefit Retirement Plan for Employees of the Greater Orlando Aviation Authority ("DB Plan"), a single-employer retirement plan. The Authority authorizes all employees hired before October 1, 1999, other than firefighters, to participate in the DB Plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries.

The actuarial valuation used for funding determines the annual contribution requirements of the Authority to the DB Plan. The Authority does not require plan members to contribute to the DB Plan.

The actuarial assumptions for Fiscal Years 2014 and 2015 include: (a) rate of return on investments of 7.25% per year, (b) projected salary increases of 5.0%, (c) inflation adjustments of 3.0%, and (d) expense loading is the average of actual expenses over the previous two years. Five-year smoothed market method values DB Plan assets. The Aggregate Actuarial Cost Method determines the DB Plan's actuarial valuation.

As of October 1, 2014, the most recent reported actuarial valuation date, the DB Plan was 87.5% funded. The actuarial accrued liability for benefits was \$125.3 million, and the actuarial value of assets was \$109.6 million resulting in an unfunded actuarial accrued liability ("UAAL") of \$15.7 million. The covered payroll was \$10.7 million, and the ratio of the UAAL to the covered payroll was 146.9%. The following table shows the actuarial value of assets compared to the liability as well as the percentage funded and UAAL as a percentage of covered payroll for Fiscal Years 2012 - 2014.

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**Schedule of Funding Progress
(in thousands)**

Actuarial Valuation Date October 1	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2014	\$109,583	\$125,312	\$15,729	87.5%	\$10,709	146.9%
2013	97,405	119,945	22,540	81.2	10,828	208.2
2012	87,171	114,144	26,973	76.4	11,443	235.7

Source: The Greater Orlando Aviation Authority.

The following table shows the annual required contributions as well as the actual percentage contributed for Fiscal Years 2013 - 2015.

**Schedule of Employer Contributions
(in thousands)**

Employer Contributions		
Fiscal Years Ended September 30	Actuarially Determined Contributions (ADC)	Percentage of ADC Contributed
2015	\$6,565	115.2%
2014	6,470	113.8
2013	5,314	100.0

Source: The Greater Orlando Aviation Authority.

Single-Employer Defined Contribution Retirement Plan. The Defined Contribution Retirement Plan of the Greater Orlando Aviation Authority ("DC Plan") is a single-employer retirement plan. The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan has separate accounts for each employee, and investments are self-directed by the employee. The DC Plan provides retirement and death benefits to plan participants and beneficiaries. The Authority contributed \$2.0 million and \$1.8 million for the years ending September 30, 2015 and 2014, respectively.

Multiple-Employer Pension Plans. All firefighters employed by the Authority participate in the FRS, a cost-sharing, multiple-employer defined benefit public retirement plan administered by the Florida Department of Management Services, Division of Retirement. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Statutes establish benefit provisions.

Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current

actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the Deferred Retirement Option Program (DROP) participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, were required to make pretax retirement contributions of 3% of their gross salary to the plan.

The employer contribution rate for the Fiscal Year ended September 30, 2015 was 19.82% of each participant's pensionable wages from October 1, 2014 to June 30, 2015 and 22.04% from July 1, 2015 to September 30, 2015. The contribution rate for the Fiscal Year ended September 30, 2014 was 19.06% from October 1, 2013 to June 30, 2014 and 19.82% from July 1, 2014 to September 30, 2014. The contribution rate for the Fiscal Year ended September 30, 2013 was 14.90% from October 1, 2012 to June 30, 2013 and 19.06% from July 1, 2013 to September 30, 2013. The Authority's contributions to the FRS for each of the Fiscal Years ended September 30, 2015, 2014, and 2013 were approximately \$1.0 million, \$0.9 million and \$0.7 million, respectively, which represents the required contributions for each Fiscal Year.

Other Postemployment Benefits and GASB Statement. The Greater Orlando Aviation Authority Healthcare Plan ("GOAAHP") is a single-employer healthcare plan administered by the Authority. The GOAAHP provides postemployment healthcare benefits to those participants who retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its other postemployment benefits (OPEB) obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed twenty years.

The following table shows the components of the Authority's annual OPEB cost for the Fiscal Years ended September 30, 2015 and 2014, the annual required contribution, and changes in the Authority's net OPEB asset to GOAAHP (in thousands):

	2015	2014
Annual required contribution	\$1,773	\$2,073
Interest on net OPEB asset	(402)	(291)
Adjustment to annual required contribution	561	407
Annual OPEB cost	\$1,932	\$2,189
Trust contributions made	(3,024)	(3,890)
Increase in net OPEB asset	(\$1,092)	(\$1,701)
Net OPEB asset - beginning of year	(6,178)	(4,477)
Net OPEB asset - end of year	(\$7,270)	(\$6,178)

The following table shows the actuarial value of OPEB related assets compared to the OPEB liability as well as the percentage funded and UAAL as a percentage of covered payroll.

**Schedule of Funding Progress
(in thousands)**

Actuarial Valuation Date October 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	\$48,628	\$54,963	\$ 6,335	88.5%	\$36,934	17.2%
2014	47,137	54,765	7,628	86.1	35,067	21.8
2013	40,366	54,108	13,742	74.6	34,028	40.4

Source: The Greater Orlando Aviation Authority.

The table below shows the annual required contributions as well as the actual percentage contributed for Fiscal Years 2013 - 2015.

**Schedule of Employer Contributions
(in thousands)**

Employer Contributions		
Fiscal Years Ended September 30	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2015	\$1,773	170.5%
2014	2,073	187.6
2013	2,878	196.0

Source: The Greater Orlando Aviation Authority.

For additional information relating to pension and OPEB expenses of the Authority, see Notes 8 and 9 of the "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014" attached hereto.

Insurance

The Authority currently maintains property insurance for property not insured by others with per occurrence and aggregate limits totaling \$500 million, excess of \$500,000 retention. The property insurance policies contain certain specific sub-limits, and the primary layer contains a self-insured retention of \$100,000 and a maintenance deductible of \$25,000 per occurrence for causes of loss other than named windstorm. The property insurance policies also include coverage for business interruption that pays certain fixed costs, including the annual debt

service payments on the Authority's indebtedness, in the event revenues are lost due to damage or loss to an asset. The business interruption coverage is included in the \$500 million aggregate limit and does not have a sub-limit. The Authority maintains a \$250 million aggregate limit for named windstorm(s), excess the \$500,000 retention, with a per location, per occurrence wind deductible. The policy provides open-perils protection as opposed to specifically named-perils protection on a replacement cost basis which includes coverage for boiler and machinery, and loss of business income up to the policy limit per occurrence, with certain sub-limits resulting from a covered property loss, including covered terrorism losses. The Authority currently maintains property insurance with per occurrence limits of \$500 million for terrorism events whether caused by international or domestic persons or organizations. Renovations to existing facilities not insured by others are included as covered losses under the Authority's current property insurance up to limits described herein. The Authority also maintains builders' risk insurance, when required for construction projects not covered by other property policies. It is expected that property insurance limits may be adjusted in the future, as is prudent in the airport industry and as insurance markets continue to evolve.

The Authority also maintains owner's protective professional and excess liability insurance for certain construction projects, fiduciary liability, public official's liability, auto liability, storage tank, pollution liability, crime, public sector terrorism, and airport owners and operators liability insurance. The Authority's airport liability insurance has a limit of \$1 billion annually including war and related exposures. The Authority maintains workers compensation insurance with statutory limits, which includes a self-insured retention of \$150,000 per occurrence and associated employers' liability insurance. The Authority uses an independent risk management and insurance consultant who assists in designing an insurance program which is in the best interest of the Authority, including evaluation, negotiation and recommendation of coverages and quotations. The risk management consultant also reviews the insurance policies. The coverages and limits described above are effective May 1, 2016 through April 30, 2017.

Environmental Liabilities

The Airport System includes certain polluted sites, primarily from chemical and fuel spills, asbestos, and former landfills pursuant to which the Authority has been named or may in the future be named a responsible or potentially responsible party or where pollution remediation has already commenced, with monitoring being completed as necessary. The Authority recorded a pollution remediation liability for the Airport System, as of September 30, 2015, measured at \$2.1 million, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. For more information, see Note 18 to the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as Appendix E.

CAPITAL IMPROVEMENT PROGRAM

In March 2016, the Authority adopted an updated capital improvement program to accommodate existing and forecast passenger demand at the Airport for Fiscal Years 2016 - 2023 (the "2016 - 2023 Capital Improvement Program") based on recommendations in the Airport master plan. The 2016 - 2023 Capital Improvement Program consists of (a) improvements to the existing North Terminal Complex, (b) projects that will increase multi-modal transportation access at the Airport; mainly through the development of the South APM Complex, (c) a new South Terminal Complex, and (d) other projects to maintain and enhance the Airport. The estimated total aggregate cost of the 2016 - 2023 Capital Improvement Program totals \$3.1 billion, including allowance for inflation. In addition to the 2016 - 2023 Capital Improvement Program, the Authority also undertakes, on an ongoing basis, major maintenance of assets.

The capacity enhancements, renovations, and expansion for the North Terminal Complex included in the 2016 - 2023 Capital Improvement Program are designed to (a) increase the capacity limits of various North Terminal Complex functional elements (e.g., gates, curb, security checkpoint, baggage, etc.), (b) expedite international processing, and (c) improve the overall travel experience. In Fiscal Year 2015, the Airport handled 37.7 million annual passengers and is projected to reach 39.8 million annual passengers in Fiscal Year 2016. The capacity enhancements, renovations, and expansion for the North Terminal Complex included in the 2016 - 2023 Capital Improvement Program are designed to increase its capacity to 45 million annual passengers.

The first phase of the South Terminal Complex will include a 16-21 swing gate facility to accommodate both international and domestic air traffic. The first phase of the South Terminal Complex will have an airside building with approximately 835,000 square feet and a landside building with approximately 809,000 square feet. The terminal will have four levels that will house all of the necessary features required to operate a terminal. The South Terminal Complex will also include (a) a Ground Transportation Center to accommodate the customers of the parking and ground transportation facilities, (b) 2,400 parking spaces (in addition to the 2,500 space multi-story garage that is currently under construction as part of the South APM Complex), and (c) a Ground Support Equipment Complex, which is needed to house all of the supplies and equipment required to provide service to the South Terminal Complex and its future expansion.

The 2016 - 2023 Capital Improvement Program consists of on-going and future projects in varying stages of execution. The actual timing of construction or implementation of projects will depend on the achievement of forecast demand or other justification of need, and the receipt of required environmental and other regulatory approvals. The 2016 - 2023 Capital Improvement Program is expected to be funded through a combination of the proceeds of Outstanding and Additional Senior Bonds, Federal grants in aid, PFC Revenues, Subordinated Obligations, and other Airport funds. The Authority may elect to defer, or to change, the funding plan for any of the projects.

The following table provides a summary of the Authority's current expectations regarding the funding sources for the various portions of the 2016 - 2023 Capital Improvement Program (in thousands).

AIP Grants	Non-AIP Grants	Authority Funds	PFC Revenues (pay-as- you-go)	Outstanding Senior Bonds (payable from Available PFC Revenues)	Additional Senior Bonds (payable from Available PFC Revenues)	Outstanding Senior Bonds (payable from Net Revenues)	Additional Senior Bonds (payable from Net Revenues)	Additional Priority Subordinated Indebtedness	Other	Total:
\$63,792	\$144,491	\$158,065	\$359,679	\$207,855	\$647,414	\$133,565	\$611,002	\$479,045	\$279,043	\$3,083,951

Source: Greater Orlando Aviation Authority as of March 31, 2016.

For more information regarding the Authority's various sources of funding, including Revenues and grants, see "INFORMATION CONCERNING CERTAIN FUNDING SOURCES," "AUTHORITY FINANCIAL INFORMATION - Information Regarding Certain Sources of Revenue," and "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS" herein.

The Authority reassesses its capital needs at least annually and will modify the 2016 - 2023 Capital Improvement Program as necessary to accommodate demand-driven traffic activity, security needs, and other factors, which could result in increases or decreases to the 2016 - 2023 Capital Improvement Program, or extend or accelerate the timing to complete certain projects. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Costs and Schedule of 2016 - 2023 Capital Improvement Program" herein.

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CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS

The information in this section describes certain factors affecting the air transportation industry and other considerations which may impact the payment of or security for outstanding Senior Bonds and Subordinated Obligations, including the Series 2016 Subordinated Bonds. The following discussion is not meant to be an exhaustive list of the factors affecting the air transportation industry and other considerations which may impact the payment of or security for the Series 2016 Subordinated Bonds and does not necessarily reflect the relative importance of the various factors. Investors are advised to consider the following factors along with all other information described in this Official Statement or incorporated by reference herein when evaluating the Series 2016 Subordinated Bonds.

General Economic and Political Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. Past recessions in the U.S. economy and associated high unemployment reduced discretionary income and negatively impacted airline travel demand. With the globalization of business and the increased importance of international trade and tourism, the U.S. economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, trade balances, currency exchange rates, political relationships, and hostilities all influence passenger traffic at major U.S. airports. Sustained future increases in passenger traffic at the Airport will depend on stable international conditions as well as national and global economic growth. Traffic at the Airport is also sensitive to growth in the population and fluctuations in the local economy of the area served by the Airport.

Financial Health of the Airline Industry

The ability of the Authority to generate revenues depends, in part, upon the financial health of the aviation industry. The economic condition of the industry has historically been volatile, and the aviation industry has undergone significant changes, including mergers, acquisitions, bankruptcies and closures in recent years. Further, the aviation industry is sensitive to a variety of factors, including the cost and availability of labor, fuel, aircraft, supplies and insurance; general economic conditions; international trade; currency values; competitive considerations, including the effects of airline ticket pricing; traffic and airport capacity constraints; governmental regulation, including security regulations and taxes imposed on airlines and passengers, and maintenance and environmental requirements; passenger demand for air travel; strikes and other union activities; availability of financing; and disruptions caused by airline accidents, criminal incidents and acts of war or terrorism.

Due to the discretionary nature of business and personal travel spending, airline passenger traffic and revenues are influenced by the state of the national economy (see the factors discussed in " - General Economic and Political Conditions" above), other regional and world economies, business profitability, security concerns and other factors. Significant structural changes to the airline industry have occurred in recent years, including reducing or

eliminating service on unprofitable routes, reducing airline work forces, implementing pay cuts, streamlining operations and merging with other airlines. Airfares have become easier to compare, which has made pricing and marketing among airlines more competitive. The price of fuel has been a significant cost factor for the airline industry and affects airline earnings. Fuel prices are particularly sensitive to worldwide political instability, economic uncertainties and increased demand from developing economies, production disruption, regulations and weather. Material and prolonged changes in the costs of aviation fuel may have an adverse impact on air transportation industry profitability.

The aviation industry is cyclical and subject to intense competition and variable demand. The airlines are vulnerable to fuel price spikes, labor activity, recession and external shocks (such as terrorism, pandemics, military conflicts and natural disasters). As a result, airline financial performance can fluctuate dramatically from one reporting period to the next. The Authority makes no representation with respect to the continued viability of any of the carriers serving Airport, airline service patterns, or the impact of any airline failures on Revenues.

Availability and Price of Aviation Fuel

The price of aviation fuel is a critical and uncertain factor affecting airline operating economics. Fuel prices are particularly sensitive to worldwide political instability and economic uncertainty. Aviation fuel prices will continue to affect airfares, passenger numbers, airline profitability, and the ability of airlines to provide service. Airline operating economics will also be affected as regulatory costs are imposed on the airline industry as part of efforts to reduce aircraft emissions contributing to global climate change.

In recent years, fuel prices have been relatively stable, partly as a result of increased supply from U.S. domestic production, although political instability and conflicts in North Africa and the Middle East have contributed to volatility. The Authority makes no representation whether fuel prices will continue relative stability or if volatility will increase.

Airline Industry Consolidation, Competition and Airfares

The airline industry continues to evolve as a result of competition and changing demand patterns and it is possible that airlines serving the Airport could consolidate operations through acquisition, merger, alliances, and code share sales strategies. Many major domestic airlines have joined with other major domestic airlines. Depending on which airlines serving the Airport, if any, merge or join alliances, the result may be fewer flights by one or more airlines, which decrease could be significant. Such decreases could result in reduced Revenues, reduced PFC revenue collections and increased costs for the airlines serving the Airport. It is not possible at this time to predict the effect on gate usage at the Airport, or the corresponding impact on Revenues, PFC revenue collections or airline costs, as a result of unknown potential airline consolidations.

Airline fares including ancillary fees have an important effect on passenger demand, particularly for relatively short trips for which the automobile and other travel modes are potential alternatives, and for price-sensitive "discretionary" travel. The price elasticity of demand for airline travel increases in weak economic conditions when the disposable income of

potential airline travelers is reduced. Airfares are influenced by airline capacity and yield management; passenger demand; airline market presence; labor, fuel, and other airline operating costs; taxes, fees, and other charges assessed by governmental and airport agencies; and competitive factors. Future passenger numbers, both nationwide and at the Airport, will depend, in part, on the level of airfares.

In 2015, the U.S. Department of Justice (the "DOJ") initiated a civil anti-trust investigation and requested airlines to provide documents and information from the prior two years relating to seating capacity. By limiting the number of flights offered, airlines allegedly could restrain competition and raise fares. The DOJ inquiry remains active; what effect, if any, this investigation will have on airlines and the industry as a whole is not currently determinable.

Growth of Low Cost Carriers

Low cost carriers ("LCCs") are carriers that take advantage of an operating cost structure that is significantly lower than the cost structure of the network carriers. These advantages can include lower labor costs, greater labor flexibility, a streamlined aircraft fleet (i.e., fewer different types of aircraft in a given airline's fleet) and a generally more efficient operation. These low costs suggest that the LCCs can offer a lower fare structure to the traveling public than network carriers while still maintaining profitability.

As the larger U.S. carriers consolidated and became more focused on capacity discipline, fare increases took hold. LCCs began to emerge in larger markets where passenger levels were high enough for the LCCs to overcome certain barriers to entry caused by the larger carriers such as, for example, control of the majority of airport gates and slots. The cost structure of LCCs allows for lower fares, which has stimulated traffic and driven LCCs into more and larger markets. One result of the consolidation of carriers and their capacity discipline and the associated fare increases is that certain price-sensitive travelers are flying less. Recently, these budget conscious flyers have emerged as an underserved segment which has helped to expand the LCC market to include the ultra-low cost carriers, such as Allegiant Airways and Spirit Airlines. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Airline Market Shares" herein for more information about historical Airline market shares at the Airport.

Aviation Safety and Security Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of international hostilities, terrorist attacks, increased threat levels and world health concerns, may influence passenger travel behavior and airline travel demand. Anxieties about the safety of flying and the inconveniences and delays associated with security screening procedures lead to both the avoidance of travel and the switching from air to surface modes of transportation for short trips.

Historically, airline travel demand has recovered after temporary decreases stemming from terrorist attacks or threats, hijackings, aircraft crashes, public health and safety concerns, and international hostilities.

Airline Service and Routes

Most large airports serve as gateways to their communities and as connecting points. The number of origin and destination passengers at an airport depends on the intrinsic attractiveness of the region as a business and leisure destination, the propensity of its residents to travel, and the airline fares and service provided. The number of connecting passengers, on the other hand, depends entirely on the airline service provided. The network airlines have developed hub-and-spoke systems that allow them to offer high-frequency service in many city-pair markets. Because most connecting passengers have a choice of airlines and intermediate airports, connecting traffic at an airport depends on the route networks and flight schedules of the airlines serving that airport and competing hub airports. However, most passengers at the Airport are originating or completing their journeys rather than connecting between flights.

The United States has pursued a policy of open skies civil aviation relationships with our international partners since 1992. The U.S. has signed more than 100 open skies agreements ("Open Skies Agreements") with various countries and the European Union since that time. Open Skies Agreements eliminate certain government interference in the commercial decisions of air carriers about routes, capacity, and pricing, freeing carriers to provide more affordable, convenient, and efficient air service for consumers.

In 2015, American Airlines, Delta Air Lines, and United Airlines claimed that two state-owned airlines based in the United Arab Emirates (Emirates and Etihad Airways) and one in Qatar (Qatar Airways) (collectively, the "Gulf Carriers") have funded their rapid expansion into U.S. airports through large subsidies from their respective government owners and that U.S. airlines cannot compete without intervention by the U.S. government. These U.S. airlines are joined in their objection by their respective employee labor unions, certain political leaders, and other interested parties. The remedy sought is to limit the access of the Gulf Carriers into the U.S. markets, thereby limiting the ability of the Gulf Carriers to expand service into markets already served by those carriers including the Airport.

The Gulf Carriers have denied the accusations, disputed several claims by the U.S. airlines, and explained the investments made by their shareholders who, in some instances, are their national governments. The Gulf Carriers are supported in their position by certain other U.S. carriers (including FedEx, jetBlue Airways and Hawaiian), certain political leaders, and other interested parties (including the Airports Council International - North America, the Business Travel Coalition, and the Authority).

In response to these claims, the U.S. DOT opened a federal docket to accept comments on the subject. The comment period has ended and to date, the U.S. DOT has offered no indication on potential next steps. The filings will be jointly reviewed by the U.S. Commerce, State, and Transportation departments.

At this time it is not known what, if any, action the U.S. DOT will take on this issue or the implications on future additional service to the Airport by the Gulf Carriers. If the U.S. DOT complies with the demands of American Airlines, Delta Air Lines and United Airlines, new air service direct to Orlando by Gulf Carriers could be limited. The only service by the Gulf

Carriers to the Airport as of the date of this Official Statement is the existing Emirates flight to Dubai.

Capacity of the National Air Traffic Control System

Demands on the national air traffic control system have, in the past, caused delays and operational restrictions affecting airline schedules and passenger traffic. The FAA is gradually implementing its Next Generation Air Transport System air traffic management programs to modernize and automate the guidance and communications equipment of the air traffic control system and enhance the use of airspace and runways through improved air navigation aids and procedures. In recent years, airline traffic delays have decreased as a result of reduced numbers of aircraft operations, but, as airline travel increases in the future, flight delays and restrictions may be expected.

Capacity of the Airport; Cost and Schedule of 2016 - 2023 Capital Improvement Program

In addition to any future constraints that may be imposed by the capacity of the national air traffic control system, future growth in airline traffic at the Airport will depend on the capacity at the Airport itself. The estimated costs of and the projected schedule for the 2016 - 2023 Capital Improvement Program and any other projects planned by the Authority are subject to a number of uncertainties. The ability of the Authority to complete such projects may be adversely affected by various factors including, without limitation: (a) estimating errors, (b) design and engineering errors, (c) changes to the scope of the capital improvements, (d) delays in contract awards, (e) material and/or labor shortages, (f) unforeseen site conditions, (g) adverse weather conditions, (h) contractor defaults, (i) labor disputes, (j) unanticipated levels of inflation, (k) litigation, (l) delays in permitting and (m) environmental issues. No assurance can be given that any portion of the 2016 - 2023 Capital Improvement Program will not cost more than currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing the Airport. Construction of large projects at airports also involves the risk of disruption of ongoing operations and a resultant reluctance on the part of passengers and airlines to use the Airport. See "CAPITAL IMPROVEMENT PROGRAM" herein.

Regulations and Restrictions Affecting the Airport

The operations of the Airport are affected by a variety of contractual, statutory and regulatory restrictions and limitations including extensive federal legislation and regulations, including, without limitation, the provisions of the Transfer Agreement, the Rate Resolution, Revenue Sharing Agreements, the federal acts authorizing the imposition, collection and use of PFC revenues and extensive federal legislation and regulations applicable to all airports in the United States.

It is not possible to predict whether future restrictions or limitations on operations at or affecting the Airport will be imposed, whether future legislation or regulations will affect anticipated federal funding or passenger facility charge collections for capital projects for the

Airport or whether such restrictions or legislation or regulations would adversely affect Revenues.

Passenger Facility Charges

Termination of PFCs. The Authority's legal authority to impose and use PFCs is subject to certain terms and conditions provided in the PFC Act, the PFC Regulations and each PFC application. If the Authority fails to comply with these requirements, the FAA may take action to terminate or to reduce the Authority's legal authority to impose or to use PFCs. Some of the events that could cause the Authority to violate these provisions are not within the Authority's control. In addition, failure to comply with the provisions of certain federal aviation noise acts may lead to termination of the Authority's authority to impose PFCs. Further, the FAA may terminate the Authority's ability to collect PFCs to support payment of debt service on any Senior Bonds attributable to PFC Projects on the fifth anniversary of the completion of formal termination proceedings.

Amendments to PFC Act or PFC Regulations. There is no assurance that the PFC Act will not be repealed or amended or that the PFC Regulations will not be amended in a manner that would adversely affect the Authority's ability to collect and use PFC Revenues in an amount sufficient to deposit Available PFC Revenues for payment of principal and interest on the Senior Bonds.

Collection of the PFCs. The ability of the Authority to collect sufficient PFCs depends upon a number of factors including the operation of the Airport by the Authority, the use of the Airport by Collecting Carriers, the efficiency and ability of the Collecting Carriers to collect and remit PFCs to the Authority and the number of enplanements at the Airport. The Authority relies upon the Collecting Carriers' collection and remittance of PFCs, and both the Authority and the FAA rely upon the Airlines' reports of enplanements and collection statistics.

If the numbers of enplaned passengers at the Airport is significantly below the numbers forecast by the Airport Consultant in projecting annual PFC Revenues, if the collection fees retained by the Collecting Carriers are increased or if the PFC Act is amended, the amount of PFC Revenues actually collected by the Authority each year will be less than the amount projected and accordingly, Available PFC Revenues may be less than the amount sufficient to enable the Authority to pay Debt Service on that portion of the Senior Bonds issued to finance PFC Projects. In such event other Revenues would be required to pay Debt Service on that portion of the Senior Bonds issued to finance PFC Projects. Such debt service can be included in the applicable airline rate base. On the other hand, if the number of annual enplanements is higher than initially projected or if the rate of PFCs is increased above the level described in "INFORMATION CONCERNING CERTAIN FUNDING SOURCES - Passenger Facility Charges" herein, the Authority will collect PFC Revenues faster than initially forecast. The Authority will have to manage its PFC program carefully in such event and balance its expenditures with its collecting rates to ensure that sufficient Available PFC Revenues will be available in later years to pay debt service attributable to the Senior Bonds.

The Authority's ability to pay the principal of, premium, if any, and interest on the Senior Bonds depends, in part, upon the timely receipt by the Authority of PFC Revenues, and the

amount of PFC Revenues received annually by the Authority depends largely upon the Authority's ability to implement and complete PFC Projects and upon the number of enplanements at the Airport each year. The level of enplanements, in turn, depends upon a number of economic and other factors that are not within the Authority's control. See "INFORMATION CONCERNING CERTAIN FUNDING SOURCES - Passenger Facility Charges" herein for a description of the authority to impose and use PFCs.

No assurance can be given that PFC Revenues will actually be received in the amounts and at the times necessary to provide sufficient Available PFC Revenues in each relevant period, or to fund elements of the Authority's capital improvement program anticipated to be funded with PFC Revenues. The actual amount of PFC Revenues collected, and the rate of collection, will vary depending on the PFC level at the Airport and the actual number of eligible enplaned passengers at the Airport. If PFC Revenues received in any applicable period are less than 1.25 times Debt Service accruing in such period on Senior Bonds allocated to financing PFC Projects, the shortfall will have to be provided from other sources of Revenues.

FAA Reauthorization and Federal Funding

In February 2012, the most recent authorization and funding for the FAA was approved under the FAA Modernization and Reform Act of 2012 (the "FAA Reauthorization Act") which was scheduled to expire on September 30, 2015. However, on September 29, 2015 the U.S. Congress passed, and on September 30, 2015 the President signed into law, an extension of the FAA Reauthorization Act, which expires on July 15, 2016 (the "2015 Extension"). On April 19, 2016, the U.S. Senate passed S2658 ("S2658") which provides for an additional 18-month extension of the FAA Reauthorization Act (the "2016 Extension"). The 2016 Extension will not become effective unless and until it is approved by the U.S. House of Representatives and signed into law by the President.

The FAA Reauthorization Act retained the federal cap on PFCs at \$4.50 and authorized \$3.35 billion per year for AIP through federal Fiscal Year 2015, which is \$150 million per year less than the funding level for the preceding five years. The 2015 Extension provided \$1.675 billion in AIP funding, which is half of the \$3.35 billion per federal fiscal year provided under the FAA Reauthorization Act. The AIP provides federal capital grants to support airport infrastructure through entitlement grants (determined by formulas based on passenger, cargo, and general aviation activity levels) and discretionary grants (allocated on the basis of specific set-asides and the national priority ranking system). The Authority is unable to predict the level of AIP funding at this time. If there is a reduction in the amount of AIP grants awarded to the Authority for the Airport, it could: (a) increase by a corresponding amount the capital expenditures that the Authority would need to fund from other sources (including operating revenues, and Senior Bond and Subordinated Obligation proceeds), (b) extend the timing to complete certain projects, or (c) reduce the scope of individual proposed projects or the overall program, or a combination of the foregoing. See "INFORMATION CONCERNING CERTAIN FUNDING SOURCES - Federal Grants-In-Aid" herein for more information regarding federal grant funding received by the Authority.

Over the years, the authorization and funding for the FAA and various components of its operations have not been consistently approved on a long-term basis. Prior to approval of the

FAA Reauthorization Act, Congress enacted more than 20 continuing resolutions which provided temporary funding for the FAA and its programs, similar to the 2015 Extension. Also during that time, the FAA endured a brief shutdown when a lapse in continuing authority terminated funding for non-essential operations. Failure of Congress to approve the 2016 Extension or similar legislation reauthorizing the operating authority of the FAA, or adverse changes in the conditions placed on such authority, may have an adverse impact on Airport operations. There can be no assurance that Congress will enact and the President will sign the 2016 Extension or a new comprehensive, long-term FAA reauthorization act before the 2015 Extension expires. Failure to adopt such legislation could have a material, adverse impact on U.S. aeronautical operations and the Airport, generally, as well as on the AIP grant program and other sources of federal funds.

Availability of Airline Financial and Operating Data

Certain of the Airlines or their parent corporations, are subject to the information reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), and as such are required to file periodic reports, including financial and operational data, with the SEC. All such reports and statements may be inspected in the Public Reference Room of the SEC at Room 1024, Judiciary Plaza, 450 Fifth Street, NW, Washington, DC 20549, and at the SEC's regional offices at the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661 2511 and 233 Broadway, New York, NY 10279. Copies of these reports and statements also may be obtained from the Public Reference Section of the Commission at 450 Fifth Street, NW, Washington, DC 20549, at prescribed rates. The SEC maintains a website at <http://www.sec.gov> containing reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. In addition, each domestic airline is required to file periodic reports of financial and operating statistics with the U.S. DOT. These reports are typically available at the websites of the individual airlines and may be inspected at the following location: Department of Transportation, Research and Special Programs Administration, Office of Airlines Statistics at Room 4125, 400 7th Street, SW, Washington, DC 20590, and copies of the reports may be obtained from the U.S. DOT at prescribed rates.

Neither the Authority nor the Underwriters undertake any responsibility for and make no representations as to the accuracy or completeness of the content of information available from the SEC or the U.S. DOT as discussed in the preceding paragraph, including updates of such information or links to other Internet sites accessed through the SEC's website.

Structural Changes in the Travel Market

Many factors have combined to alter consumer travel patterns. The threat of terrorism against the United States remains high. As a result, the federal government has mandated various security measures that have resulted in new security taxes and fees and longer passenger processing and wait times at airports. Both add to the costs of air travel and make air travel less attractive to consumers relative to ground transportation, especially to short-haul destinations. Additionally, consumers have become more price-sensitive. Capacity reductions by the Airlines which improve airline profitability have reduced seat availability resulting in higher fares. In addition, the availability of fully transparent price information on the internet now allows quick

and easy comparison shopping, which has changed consumer purchasing habits. Consumers have shifted from purchasing paper tickets from travel agencies or airline ticketing offices to purchasing electronic tickets over the internet. This has made pricing and marketing even more competitive in the U.S. airline industry. Finally, smaller corporate travel budgets, combined with the higher time costs of travel, have made business customers more amenable to communications substitutes such as tele- and video-conferencing.

Forward Looking Statements

This Official Statement contains certain "forward-looking statements" concerning the Authority's operations, performance and financial condition, including the Authority's future economic performance, plans and objectives and the likelihood of success in developing and expanding the Airport. These statements are based upon a number of assumptions and estimates which are subject to uncertainties, many of which are beyond the control of the Authority. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

LITIGATION

There is not now any litigation pending or, to the knowledge of the Authority, threatened, which if successful would have the effect of restraining or enjoining the issuance or delivery of the Series 2016 Subordinated Bonds or questioning or affecting the validity of the Series 2016 Subordinated Bonds or the proceedings and authority under which they are to be issued. The Authority is currently engaged in certain litigation, the outcome of which would not be expected to have any material adverse effect on the issuance and delivery of the Series 2016 Subordinated Bonds or any of the revenues pledged to the payment thereof. In addition, the Authority is currently engaged in the litigation noted below:

Litigation with VIAD Corp. and Aircraft Service International, Inc. This litigation relates to insurers' denial of coverage with respect to the costs of the assessment and remediation of environmental contamination on Airport property that was originally leased to Aircraft Service International, Inc. ("ASII") from 1984 to 1999, and subsequently, since 1999 has been leased to Galaxy Aviation ("Galaxy"), through an assignment from ASII, who in turn subleased a portion of the premises at issue back to ASII. Specifically, ASII and VIAD Corp. ("VIAD") have filed a complaint against Lloyd's of London Insurance Company ("Lloyds") and Royal Surplus Lines ("Royal") relating to these insurers' denial of coverage for the costs of the environmental contamination cleanup. The Authority is included in ASII and VIAD's claim against Lloyds and Royal as an interested party due to its potential status as an additional insured under the Lloyd's and Royal's insurance policies. The Authority has filed an eight-count counterclaim against VIAD, ASII and Galaxy which states that VIAD, ASII and Galaxy, in accordance with each entity's current or past leases with the Authority, are responsible for and have failed to clean up the contamination and indemnify and defend the Authority from any action in relation thereto. Additionally, the Authority has filed a cross claim against Lloyds and Royal wherein it states that Lloyds and Royal have a duty under the policies in which the Authority is an additional insured

to indemnify and defend the Authority in relation to this suit. The action has been stayed pending investigation of the extent and costs of the environmental cleanup. At this point in the litigation the costs associated with environmental cleanup are unknown due to uncertainties associated with the remediation. The assessment and remediation of the environmental contamination has been on-going for several years. To date VIAD and ASII have paid the costs of the contamination assessment and have been paying the cost of the remediation efforts that have been incurred on the Authority's property, which is consistent with the lease agreements under which ASII and Galaxy leased the subject property and with the Authority's demands in its counterclaims. At this time, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

Claims by Walbridge Aldinger Company. Walbridge Aldinger Company ("Walbridge"), is the general contractor on two Authority construction projects at the Airport: BP-432, Optimization of Pods "C" and "D"; and BP-439, Landside Emergency Power Generation Expansion. Walbridge has raised claims on both projects; the Authority has raised a now-withdrawn claim on BP-439. These claims are discussed in more detail below.

Claims on BP-432.

On BP-432, Walbridge has raised a delay and impact claim which appears to total approximately \$13.1 million (the amounts alleged by Walbridge have increased over the course of the project). The claim arises from allegations of unforeseen conditions, owner-caused schedule delays and errors and omissions in the design plans and specifications. The claim includes claims from subcontractors, including a \$6.3 million claim from the electrical subcontractor (an alleged amount that has increased over the course of the project), which Walbridge has not certified. Walbridge has not yet presented a final, contractually-compliant claim, thus the total value of its claim is difficult to discern. The Authority vigorously contests the claim, including that the claim was not properly and timely presented in accordance with the contract documents, that the claim (or parts thereof) has been resolved by prior change orders, and contests the underlying facts raised by Walbridge. The Authority terminated baggage handling system Pod "C" from the contract work scope on a termination for convenience basis. The credit due the Authority from the Pod "C" removal and the necessary schedule adjustment are also in dispute, with a difference of opinion totaling approximately \$3 million and 80 days.

The parties have agreed to submit all claims to an alternative, non-binding dispute resolution process prior to litigation. This process involves assessment of the parties' contentions by a third-party Dispute Review Board ("DRB") that will issue a recommended resolution to the parties' claims. This process is ongoing, and has not definitively resolved any issues to date. The DRB has issued its recommendation concerning the question of the Pod "C" credit-adopting a position drawing on arguments from both parties-but Walbridge rejected the DRB's recommendation; accordingly, the DRB's recommendation as to the Pod "C" credit is not binding on the parties and is inadmissible if the parties proceed to litigation. Given the inconclusive nature of the rejected recommendation, it is difficult to evaluate the size of the final credit, but the Authority will continue to attempt to negotiate this issue with Walbridge.

The DRB will consider next, at a hearing in June, 2016, certain claims raised by Walbridge pertaining to the effect of changes by the Authority having jurisdiction concerning

clearance surrounding electrical panels, and whether Walbridge is entitled to compensation arising out of obstructions, rephasing the work, alleged reductions in working hours, claimed work added to the project, claimed additional work arising out of the process for arranging utility outages, costs arising out of a revised schedule, and claims by Walbridge concerning whether the Authority had prior knowledge of these issues. The Authority will raise several defenses based on, among other things, contract language, the effect of various releases, and Walbridge's failure to comply with the contract in bringing its claims. The parties have only begun submitting position papers on these issues, and the parties would still be free to reject the DRB's recommendation once it is issued. The next issue has not yet been formally presented to the DRB, so it is difficult to give any further estimate of timeline or exposure. Accordingly, at this time, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

Claims on BP-439.

On BP-439, Walbridge has raised a delay claim by a subcontractor in the amount of \$96,234.00 arising out of alleged changes in the process for handling utility outages on the project; the subcontractor has alleged that by the end of the project, the amount of this claim may increase. The Authority has notified Walbridge that this claim is barred by the terms of the contract because of Walbridge's failure to comply with the contract's notice and substantiation requirements, and that the Authority will not act on it because Walbridge has failed to certify the claim under oath as required by the contract. Walbridge has not certified the claim to date; accordingly, the Authority has not acted on it. Because Walbridge has failed to take further action to certify this claim, or substantiate it in a manner to allow proper analysis, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

Also on BP-439, the Authority issued a now-withdrawn notice of claim to Walbridge arising out of the catastrophic failure of one of the three new generators installed as part of the work on this project. The Authority provided notice of a claim to Walbridge to protect its rights in the event that the Authority incurred expenses or damages as a result of the failure. Walbridge and its subcontractor and supplier will replace the engine on the failed generator, and the Authority does not anticipate incurring expense for this at this time; moreover, analysis by Walbridge's subcontractor indicates that the cause of the failure was specific to the failed generator and should not affect the other generators installed as part of the work. The Authority has withdrawn its claim for the time being. Work is still ongoing to remediate the generator failure and complete the project; at this time, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

TAX MATTERS

In the opinion of Foley & Lardner LLP and D. Seaton and Associates, P.A., Co-Bond Counsel, based on existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance with certain covenants, as described herein, interest on the Series 2016 Subordinated Bonds is excluded from gross income for federal income tax purposes under

Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except for any period during which such Series 2016 Subordinated Bond is held by a person who is a "substantial user" of the facilities financed with the Series 2016 Subordinated Bonds or a "related person" of such substantial user within the meaning of Section 147(a) of the Code. In addition, interest on the Series 2016 Subordinated Bonds is a specific preference item for purposes of the federal individual and corporate alternative minimum taxes. A copy of the proposed form of the opinion of Foley & Lardner LLP and D. Seaton and Associates, P.A., as Co-Bond Counsel, is set forth in Appendix F.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2016 Subordinated Bonds. The Authority has covenanted to comply with certain restrictions and requirements designed to assure that the interest on the Series 2016 Subordinated Bonds will not be included in gross income for federal income tax purposes. Failure to comply with these covenants may result in such interest being included in gross income for federal income tax purposes, possibly from the original issuance date of the Series 2016 Subordinated Bonds. The opinion of Foley & Lardner LLP and D. Seaton and Associates, P.A., as Co-Bond Counsel, assumes compliance with these covenants. Co-Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the issuance of the Series 2016 Subordinated Bonds may adversely affect the tax status of the interest on the Series 2016 Subordinated Bonds. Accordingly, the opinion of Co-Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

The opinions of Co-Bond Counsel rely on factual representations made by the Authority and other persons. These factual representations include but are not limited to certifications by the Authority regarding its reasonable expectations regarding the use and investment of bond proceeds. Co-Bond Counsel have not verified these representations by independent investigation. Co-Bond Counsel do not purport to be experts in asset valuation and appraisal, financial analysis, financial projections or similar disciplines. Failure of any of these factual representations to be correct may result in interest on the Series 2016 Subordinated Bonds being included in gross income for federal income tax purposes, possibly from the original issuance date of the Series 2016 Subordinated Bonds.

Although Co-Bond Counsel are of the opinion that interest on the Series 2016 Subordinated Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2016 Subordinated Bonds may otherwise affect a Beneficial Owner's federal tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Co-Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2016 Subordinated Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent the Beneficial Owners from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration has on several occasions announced legislative proposals which generally would

limit the exclusion from gross income of interest on obligations like the Series 2016 Subordinated Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2016 Subordinated Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2016 Subordinated Bonds. Such future legislation, if enacted, possibly could apply to obligations issued before such legislation is enacted. Prospective purchasers of the Series 2016 Subordinated Bonds should consult their own tax advisors regarding any pending or proposed federal or state legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Co-Bond Counsel express no opinion.

The opinions of Co-Bond Counsel speak only as of their date and are based on current legal authorities, cover certain matters not directly addressed by such authorities, and represent Co-Bond Counsel's judgment regarding the proper treatment of the Series 2016 Subordinated Bonds for federal income tax purposes. They are not binding on the IRS or the courts, and they are not a guarantee of result. Furthermore, Co-Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority or about the effect of changes to the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the applicable requirements of the Code.

Co-Bond Counsel are not obligated to defend the Authority regarding the tax-exempt status of the Series 2016 Subordinated Bonds in the event of an examination by the IRS. Under current IRS procedures, the Beneficial Owners and parties other than the Authority would have little, if any, right to participate in an IRS examination of the Series 2016 Subordinated Bonds. Moreover, because obtaining judicial review in connection with an IRS examination of tax-exempt bonds is difficult, obtaining independent review of IRS positions with which the Authority legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2016 Subordinated Bonds for examination, or the course or result of such an examination, or an examination of bonds presenting similar tax issues may affect the market price, or the marketability, of the Series 2016 Subordinated Bonds, and may cause the Authority or the Beneficial Owners to incur significant expense.

Payments of interest on tax-exempt obligations, including the Series 2016 Subordinated Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Beneficial Owner of a Series 2016 Subordinated Bond is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Premium. Series 2016 Subordinated Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax

purposes. However, the amount of tax exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2016 Subordinated Bonds and the issuance thereof by the Authority are subject to the approval of Foley & Lardner LLP, Orlando, Florida, and D. Seaton and Associates, P.A., Orlando, Florida, as Co-Bond Counsel. The proposed form of the opinions of Co-Bond Counsel is attached hereto as Appendix F. The actual legal opinions to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinions will speak only as of their date and subsequent distribution thereof by recirculation of the Official Statement or otherwise shall create no implication that Co-Bond Counsel has reviewed or expresses any opinions concerning any of the matters referenced in the opinions subsequent to their date.

Co-Bond Counsel has not been engaged to, nor have they undertaken to review (a) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2016 Subordinated Bonds, or (b) the compliance with any federal or state law with regard to the sale or distribution of the Series 2016 Subordinated Bonds, except that Co-Bond Counsel will state to the Underwriters and the Authority at closing, that they have reviewed the information in the sections hereof entitled "DESCRIPTION OF THE SERIES 2016 SUBORDINATED BONDS," "SECURITY FOR THE SERIES 2016 SUBORDINATED BONDS," and "APPENDIX A - FORM OF THE MASTER SUBORDINATED INDENTURE," "APPENDIX B - EXCERPTS OF THE SENIOR BOND RESOLUTION" and "APPENDIX C - SUMMARY OF THE CONSENT AMENDMENTS" attached hereto, and to the extent such statements purport to summarize certain provisions of the Senior Bond Resolution, the Consent Amendments and the Master Subordinated Indenture, such statements are fair and accurate summaries of the provisions purported to be summarized. Co-Bond Counsel will also state they have reviewed the information under the caption "TAX MATTERS" and that the statements contained therein are accurate.

Certain legal matters will be passed on for the Authority by Broad and Cassel, Orlando, Florida, Issuer's Counsel to the Authority and, Greenberg Traurig, P.A., Orlando, Florida, and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Disclosure Counsel to the Authority. Certain legal matters in connection with the Series 2016 Subordinated Bonds will be passed on for the Underwriters by their counsel, Bryant Miller Olive P.A., Orlando, Florida, upon which only the Underwriters may rely.

CONTINUING DISCLOSURE

To assist the Underwriters in complying with the Rule, simultaneously with the issuance of the Series 2016 Subordinated Bonds, the Authority will enter into a Continuing Disclosure Agreement with DAC, as initial dissemination agent, under which the Authority will provide

continuing disclosure with respect to the Series 2016 Subordinated Bonds, substantially in the form attached hereto as "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT." The Authority, as an "obligated person" under the Rule, has covenanted in the Continuing Disclosure Agreement to provide certain financial information and operating data relating to the Airport System and the Series 2016 Subordinated Bonds in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of certain enumerated events, when and if they occur, shall be timely filed by DAC, on behalf of the Authority, with EMMA. The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the Authority's undertaking are more fully described in "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto. Notwithstanding any other provision of the Subordinated Indenture, failure of the Authority to comply with such Continuing Disclosure Agreement shall not be considered an event of default under the Subordinated Indenture. To the extent permitted by law, the sole and exclusive remedy of any Holder of the Series 2016 Subordinated Bonds for the enforcement of the provisions of the Continuing Disclosure Agreement shall be an action seeking mandamus or specific performance by court order to cause the Authority to comply with its obligations under the Continuing Disclosure Agreement.

The following disclosure is being provided by the Authority for the sole purpose of assisting the Underwriters in complying with the Rule: The Authority previously entered into continuing disclosure undertakings, as an "obligated person" under the Rule (the "Undertakings"). In the previous five year period beginning on June 16, 2011 and ending on June 16, 2016 (the "Compliance Period"), the Authority has knowledge of its failure to comply with the following provisions of the Undertakings: (a) the Authority filed the annual report for two series of bonds on March 31, 2014 in response to an Undertaking requiring the report to be filed within 180 days after the end of the fiscal year, which was actually March 29, 2014, (b) the Authority failed to file the requisite notices of its failure to timely file the annual reports described in (a) and (c) the Authority failed to provide certain annual financial information and operating data in its annual filings as such information was previously presented in the applicable offering documents. It is possible the Authority has failed to comply with other Undertakings of similar or different types within the Compliance Period, but the Authority is not aware of any such failures.

RATINGS

S&P Global Ratings ("S&P"), Fitch Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's," and collectively with S&P and Fitch, the "Rating Agencies") have assigned ratings of "A+," "A+" and "A1" respectively, to the Series 2016 Subordinated Bonds. Such ratings reflect only the views of said Rating Agencies at the time such ratings were issued and an explanation of the significance of such ratings may be obtained only from said Rating Agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such Rating Agencies, or any one of them, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Series 2016

Subordinated Bonds. The Authority has not undertaken any obligation to oppose any proposed downward revision, or withdrawal of such ratings.

UNDERWRITING

Citigroup Capital Markets, on its own behalf and on behalf of Jefferies LLC, PNC Capital Markets LLC, and Wells Fargo Securities (collectively the "Underwriters") have agreed pursuant to that certain Bond Purchase Agreement by and between the Authority and the Underwriters that the aggregate purchase price of the Series 2016 Subordinated Bonds payable to the Authority is \$88,655,588.60 (which represents the par amount of \$76,930,000.00, less an Underwriters' discount of \$204,612.30, plus a bond premium of \$11,930,200.90). The Underwriters are committed to purchase all the Series 2016 Subordinated Bonds, if any are purchased. The Series 2016 Subordinated Bonds are offered for sale to the public at the prices derived from the yields set forth on the inside cover page of this Official Statement. The Series 2016 Subordinated Bonds may be offered and sold to certain dealers (including dealers depositing Series 2016 Subordinated Bonds into investment trusts) at prices lower than such offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The following information has been provided by certain of the Underwriters for inclusion in the Official Statement.

Citigroup Global Markets Inc., an underwriter of the Series 2016 Subordinated Bonds, has entered into a retail distribution agreement with each of TMC Bonds L.L.C. ("TMC") and UBS Financial Services Inc. ("UBSFS"). Under these distribution agreements, Citigroup Global Markets Inc. may distribute municipal securities to retail investors through the financial advisor network of UBSFS and the electronic primary offering platform of TMC. As part of this arrangement, Citigroup Global Markets Inc. may compensate TMC (and TMC may compensate its electronic platform member firms) and UBSFS for their selling efforts with respect to the Series 2016 Subordinated Bonds.

Jefferies LLC ("Jefferies"), an Underwriter of the Series 2016 Subordinated Bonds, has entered into an agreement (the "Agreement") with E*TRADE Securities LLC ("E*TRADE") for the retail distribution of municipal securities. Pursuant to the Agreement, Jefferies will sell Series 2016 Subordinated Bonds to E*TRADE and will share a portion of its selling concession compensation with E*TRADE.

PNC Capital Markets LLC ("PNCCM"), an underwriter of the Series 2016 Subordinated Bonds, may offer to sell to its affiliate, PNC Investments, LLC ("PNCI"), securities in PNCCM's inventory for resale to PNCI's customers, including securities such as those to be offered by the Authority. PNCCM may share with PNCI a portion of the fee or commission paid to PNCCM if any Series 2016 Subordinated Bonds are sold to customers of PNCI.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a

separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934. Wells Fargo Bank, National Association, acting through its Municipal Products Group ("WFBNA"), one of the underwriters of the Series 2016 Subordinated Bonds, has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2016 Subordinated Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2016 Subordinated Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Series 2016 Subordinated Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

FINANCIAL STATEMENTS

The Authority's financial statements for the Fiscal Years ended September 30, 2015 and 2014, included in Appendix E attached hereto, have been audited by Moore Stephens Lovelace, P.A., as stated in their report included in Appendix E attached hereto. Moore Stephens Lovelace, P.A., the Authority's independent auditor, has not been engaged to perform and has not performed, since the date of its report included in Appendix E any procedures on the financial statements addressed in that report. Moore Stephens Lovelace, P.A., also has not been engaged to perform and has not performed any procedures relating to this Official Statement.

CO-FINANCIAL ADVISORS

Raymond James & Associates, Inc., Winter Park, Florida, Frasca & Associates, LLC, New York, New York, and National Minority Consultants, Inc., Orlando, Florida, serve as co-financial advisors to the Authority (collectively, the "Co-Financial Advisors"). Although the Co-Financial Advisors assisted the Authority in the preparation of this Official Statement, and in other matters relating to the planning, structuring and issuance of the Series 2016 Subordinated Bonds and provided other advice, the Co-Financial Advisors are not obligated to undertake and have not undertaken to make an independent verification of the accuracy, completeness or fairness of the information or statements contained in this Official Statement or the appendices hereto. The Co-Financial Advisors did not engage in any underwriting activities with regard to the sale of the Series 2016 Subordinated Bonds.

DISCLOSURE OF MULTIPLE ROLES

PNC Capital Markets LLC is acting as an Underwriter in connection with the offering of the Series 2016 Subordinated Bonds. PNC Bank, N.A., an affiliate of PNC Capital Markets LLC, also serves as the line of credit provider for the PNC Line of Credit.

Certain subsidiaries of Wells Fargo & Company (parent company of Wells Fargo Bank, National Association, serving as one of the underwriters for the Series 2016 Subordinated Bonds through the Wells Fargo Bank, NA Municipal Products Group) have provided, from time to time, investment banking services, commercial banking services or advisory services to the Authority, for which they have received customary compensation. Wells Fargo & Company or its subsidiaries may, from time to time, engage in transactions with and perform services for the Authority in the ordinary course of their respective businesses.

Conflicts of interest could arise by reason of the different capacities in which the PNC entities and the Wells Fargo entities act in connection with the Series 2016 Subordinated Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes and the regulations promulgated thereunder require that the Authority and the City make full and fair disclosure of any bonds or other debt obligations of such entities that have been in default as to payment of principal or interest at any time after December 31, 1975. Neither the Authority nor the City are presently and, since December 31, 1975, neither the Authority nor the City have been in default as to payment of principal or interest on any bonds or other debt obligations they have issued, whether as the principal obligor or as a conduit.

MISCELLANEOUS

There are appended to this Official Statement the form of the Master Subordinated Indenture (Appendix A), excerpts of the Senior Bond Resolution (Appendix B), the summary of the Consent Amendments (Appendix C), a copy of the Rate Resolution and the form of the Revenue Sharing Agreement (Appendix D), the Audited Financial Statements and Report of the Independent Auditors thereon for the Fiscal Years ended September 30, 2015 and 2014 (Appendix E), the proposed form of Co-Bond Counsel Opinion (Appendix F), and the proposed form of Continuing Disclosure Agreement (Appendix G). Such Appendices are integral parts of this Official Statement and should be read together with all other parts of this Official Statement.

Any statements made in this Official Statement involving matters of opinion or of estimates or forecasts, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or forecasts will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Holders of the Series 2016 Subordinated Bonds.

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**AUTHORIZATION OF AND CERTIFICATION
CONCERNING OFFICIAL STATEMENT**

This Official Statement has been authorized and approved by the Authority. Upon the delivery of the Series 2016 Subordinated Bonds, each of the undersigned will furnish a certificate on behalf of the Authority to the effect that, to the best of their knowledge, this Official Statement did not, as of its date, and does not as of the date of delivery of the Series 2016 Subordinated Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which this Official Statement is to be used, or which is necessary in order to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: /s/ Frank Kruppenbacher
Frank Kruppenbacher, Chairman

By: /s/ Phil Brown
Phil Brown, Executive Director

APPENDIX A

FORM OF THE MASTER SUBORDINATED INDENTURE

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INDENTURE OF TRUST

Table of Contents

(The Table of Contents is not a part of the Indenture of Trust but is for convenience of reference only)

ARTICLE I FACTUAL RECITALS..... 1

ARTICLE II GRANTING CLAUSES 2

ARTICLE III DEFINITIONS..... 3

 Section 3.01. Definitions 3

 Section 3.02. Uses of Phrases 21

ARTICLE IV FORM, EXECUTION, AUTHENTICATION, DELIVERY AND REGISTRATION OF SUBORDINATED OBLIGATIONS 21

 Section 4.01. Authority for Issuance of the Subordinated Obligations 21

 Section 4.02. Limitation on Issuance of Subordinated Obligations 22

 Section 4.03. General Terms 22

 Section 4.04. Authentication and Execution of Subordinated Obligations 24

 Section 4.05. Forms of the Subordinated Obligations 25

 Section 4.06. Ownership of Subordinated Obligations 25

 Section 4.07. Mutilated, Destroyed, Lost or Stolen Subordinated Obligations..... 26

 Section 4.08. Issuance of Series of Subordinated Obligations; Issuing Instrument Required..... 27

 Section 4.09. Issuance of Priority Subordinated Indebtedness..... 28

 Section 4.10. Tests for Issuance of Priority Subordinated Indebtedness..... 30

 Section 4.11. Issuance of Secondary Subordinated Indebtedness 33

 Section 4.12. Repayment Obligations Afforded Status of Subordinated Obligations..... 35

 Section 4.13. Obligations Under Qualified Derivative..... 36

ARTICLE V REDEMPTION OF BONDS 37

 Section 5.01. Redemption of Bonds 37

 Section 5.02. Method of Selecting Obligations in Case of Partial Redemption..... 37

ARTICLE VI REQUIREMENTS FOR REDEMPTION OF BONDS 37

 Section 6.01. Notice of Redemption..... 37

 Section 6.02. Effect of Notice of Redemption..... 38

 Section 6.03. Redemption of Portion of Subordinated Bonds..... 39

 Section 6.04. Cancellation of Redeemed Subordinated Bonds 39

 Section 6.05. Subordinated Bonds Called for Redemption Not Deemed Outstanding 39

**AMENDED AND RESTATED
MASTER SUBORDINATED INDENTURE OF TRUST**

between

**GREATER ORLANDO AVIATION AUTHORITY,
as an agency of the City of Orlando, Florida**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Dated as of July 1, 2016

Relating to:

**GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED AIRPORT FACILITIES INDEBTEDNESS
OF THE CITY OF ORLANDO, FLORIDA**

and

**GREATER ORLANDO AVIATION AUTHORITY
SECONDARY SUBORDINATED AIRPORT FACILITIES INDEBTEDNESS
OF THE CITY OF ORLANDO, FLORIDA**

I-V

ARTICLE VII CONSTRUCTION FUND 39

 Section 7.01. Creation..... 39

 Section 7.02. Payments from Construction Fund 40

 Section 7.03. Establishment of Completion Dates 41

 Section 7.04. Reliance on Certificates..... 41

ARTICLE VIII REVENUES, FUNDS AND ACCOUNTS..... 42

 Section 8.01. Creation of Funds and Accounts; Pledge of Pledged Subordinated
Revenues..... 42

 Section 8.02. Subordinated Revenue Fund..... 44

 Section 8.03. Provisions for Payment of Subordinated Obligations from Debt
Service Accounts 47

 Section 8.04. Application of Moneys for Amortization Installments..... 48

 Section 8.05. Application of Moneys in the Subordinated Debt Service Reserve
Funds..... 49

 Section 8.06. Application of Pledged Moneys 51

 Section 8.07. Unclaimed Funds 51

 Section 8.08. Reserved 51

 Section 8.09. Rebate Fund 52

 Section 8.10. Repayment to the Authority from the Subordinated Debt Service
Funds..... 52

ARTICLE IX DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND
INVESTMENT OF FUNDS..... 52

 Section 9.01. Deposits Constitute Trust Funds..... 52

 Section 9.02. Investment of Moneys 53

 Section 9.03. Tax Covenants 54

ARTICLE X PARTICULAR COVENANTS 55

 Section 10.01. Rate Covenant..... 55

 Section 10.02. Covenants with Respect to Bond Resolution..... 56

 Section 10.03. Covenant of Authority as to Performance of Obligations 56

 Section 10.04. Covenant to Perform Undertakings 57

 Section 10.05. Covenant to Perform Further Acts..... 57

ARTICLE XI EVENTS OF DEFAULT; REMEDIES..... 57

 Section 11.01. Events of Default 57

 Section 11.02. Accounting and Examination of Records After Default..... 58

 Section 11.03. Application of Pledged Subordinated Revenues, Pledged Secondary
Subordinated Revenues and Other Moneys After Default; No
Acceleration 59

 Section 11.04. Proceedings Brought By Trustee 62

 Section 11.05. Restriction on Bondholder’s Action 64

 Section 11.06. Remedies Not Exclusive 64

 Section 11.07. Effect of Waiver and Other Circumstances 65

 Section 11.08. Notice of Default 65

ARTICLE XII CONCERNING THE TRUSTEE, BOND REGISTRAR AND PAYING
AGENT 65

 Section 12.01. Acceptance of Trusts; Performance of Duties 65

 Section 12.02. Trustee Entitled to Indemnity 66

 Section 12.03. Limitation on Obligations and Responsibilities 66

 Section 12.04. Limitation on Liability..... 66

 Section 12.05. Compensation of Trustee..... 67

 Section 12.06. Annual Statement..... 67

 Section 12.07. Evidence on Which the Trustee May Act..... 68

 Section 12.08. Notice of Defaults..... 68

 Section 12.09. Trustee as Bondholder 68

 Section 12.10. Trustee Not Responsible for Recitals 69

 Section 12.11. Reliance on Certain Documents 69

 Section 12.12. Resignation of Trustee 69

 Section 12.13. Removal of Trustee..... 70

 Section 12.14. Appointment and Qualification of Successor Trustee 70

 Section 12.15. Vesting of Trusts in Successor 71

 Section 12.16. Merger or Consolidation..... 71

 Section 12.17. Adoption of Authentication..... 71

ARTICLE XIII EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND
PROOF OF OWNERSHIP OF SUBORDINATED OBLIGATIONS 72

 Section 13.01. Execution of Instruments by Bondholders; Proof of Ownership of
Subordinated Obligations 72

ARTICLE XIV SUPPLEMENTAL SUBORDINATED INDENTURES 72

 Section 14.01. Supplemental Subordinated Indentures Without Bondholder Consent 72

 Section 14.02. Modification of Indenture with Consent of Bondholders..... 73

 Section 14.03. Supplemental Subordinated Indenture Deemed Part of this Indenture 75

 Section 14.04. Discretion of Trustee in Executing Supplemental Subordinated
Indentures 75

ARTICLE XV DEFEASANCE..... 76

 Section 15.01. Release of Indenture 76

ARTICLE XVI MISCELLANEOUS PROVISIONS..... 77

 Section 16.01. Notices 77

 Section 16.02. No Third-Party Beneficiaries..... 78

 Section 16.03. Effect of Partial Invalidity 78

Section 16.04. Members of Authority Not Liable 78
 Section 16.05. Binding Effect; Controlling Law 78
 Section 16.06. Counterparts..... 78
 Section 16.07. Headings Not Part of Indenture 78
 Section 16.08. Credit Providers..... 79

APPENDIX A – Defined Terms Incorporated from Bond ResolutionA-1

**AMENDED AND RESTATED
 MASTER SUBORDINATED INDENTURE OF TRUST**

THIS AMENDED AND RESTATED MASTER SUBORDINATED INDENTURE OF TRUST, dated as of the 1st day of July, 2016 (the “*Effective Date*”), by and between the GREATER ORLANDO AVIATION AUTHORITY, a public and governmental body created pursuant to the laws of the State of Florida as an agency of the City of Orlando, Florida (the “*Authority*”), and U.S. BANK NATIONAL ASSOCIATION, a national bank duly organized and existing under the laws of the United States of America, having the authority to exercise corporate trust powers and having a designated corporate trust office in Orlando, Florida, as trustee (the “*Trustee*”), amends and restates in its entirety the Indenture of Trust dated as of August 1, 1992, as supplemented and amended (the “*Prior Subordinated Indenture*”), by and between the Authority and NCNB National Bank of Florida, as trustee.

WITNESSETH:

In consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Subordinated Obligations (as hereinafter defined) by the holders thereof, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Subordinated Obligations are to be issued, authenticated, delivered, secured and accepted by all persons who shall, from time to time, be or become holders thereof, and in order to secure the payment of the Subordinated Obligations issued and Outstanding hereunder, and the interest thereon, according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Authority and the Trustee hereby agree as follows:

**ARTICLE I
 FACTUAL RECITALS**

The Authority hereby finds, determines and declares that:

- (a) All terms used herein unless otherwise defined have the meaning ascribed to those terms in Article III of this Indenture.
- (b) The Authority was created by the Act, as an agency of the City.
- (c) The Airport System is owned by the City. Pursuant to the Operation and Use Agreement, the City has transferred to the Authority custody, control and management of the Airport System for a period which will expire, subject to early termination in certain conditions, on September 30, 2065.
- (d) Pursuant to the Act, the Authority has the power to acquire, construct, reconstruct, operate, maintain, extend and improve the Airport System.
- (e) Pursuant to the Bond Resolution, the Authority is authorized to issue Subordinated Indebtedness, and on and after the Consent Effective Date, Secondary Subordinated Indebtedness as set forth herein, for any lawful purpose of the Authority,

A-3

including, without limitation, the financing of extensions, improvements and betterments to the Airport System.

(f) The only obligations Outstanding as of the Effective Date under the Prior Subordinated Indenture are the Other Parity Indebtedness.

(g) The Prior Subordinated Indenture is hereby amended and restated in its entirety as of the date of this Indenture and as of such date the Other Parity Indebtedness is secured and governed by this Indenture in all respects.

ARTICLE II GRANTING CLAUSES

The Authority, in order to secure the payment of the principal of, redemption premium, if any, and interest on the Subordinated Obligations according to their tenor and effect and to insure the performance and observance by the Authority of all the covenants expressed herein and in the Subordinated Obligations, has given, granted a security interest in, pledged and assigned and does by these presents give, grant a security interest in, pledge and assign to the Trustee, and to its successors in the trusts hereby created, and to them and their assigns forever, which security interest, pledge and assignment is expressly made subject and subordinate to the security interest, pledge and assignment of the Revenues under the Bond Resolution in favor of the Senior Bonds:

I

All of the rights, title and interest of the Authority in the Pledged Subordinated Revenues and proceeds of Priority Subordinated Indebtedness for the benefit of the holders of the Priority Subordinated Indebtedness (without regard to acceleration unless all such Priority Subordinated Indebtedness has been accelerated) and all of the rights, title and interest of the Authority in the Pledged Secondary Subordinated Revenues and proceeds of Secondary Subordinated Indebtedness for the benefit of the holders of the Secondary Subordinated Indebtedness (without regard to acceleration unless all such Secondary Subordinated Indebtedness has been accelerated).

II

All rights, title and interest of the Authority in and to all moneys and securities from time to time held by the Trustee under the terms of this Indenture, and in any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind, given, granted, pledged and assigned as and for additional security hereunder, by the Authority with written instructions that it be held under the terms of this Indenture or by anyone on its behalf or with its written consent and with such written instructions, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby given, granted, pledged and assigned or agreed or intended so to be, to the Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all holders or owners of the Subordinated Obligations issued and secured hereunder, except as expressly provided in this Indenture and the Issuing Instrument for a Series of Subordinated Obligations (provided that the separate accounts in the Construction Fund, the Subordinated Debt Service Funds and the Subordinated Debt Service Reserve Funds shall secure only the Series of Subordinated Obligations with respect to which such accounts are created);

PROVIDED, HOWEVER that the security interest in and pledge of the foregoing Pledged Secondary Subordinated Revenues and other security in favor of the Secondary Subordinated Indebtedness is expressly subordinate to the security interest in the Pledged Subordinated Revenues and the pledge hereunder in favor of the Priority Subordinated Indebtedness;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, redemption premium, if any, and the interest due or to become due on the Subordinated Obligations, at the times and in the manner mentioned in the Subordinated Obligations, according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee, in the form of cash funds or Defeasance Obligations in which such funds are invested, the entire amount due or to become due thereon, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payment or provision for payment, this Indenture and the rights hereby granted shall cease, determine and be void, otherwise this Indenture shall be and remain in full force and effect.

ARTICLE III DEFINITIONS

Section 3.01. Definitions.

(a) As used herein unless some other meaning is plainly intended, the following terms and phrases shall have the meanings described in the Bond Resolution (as attached in Appendix A), as the same shall be amended from time to time pursuant to the provisions of the Bond Resolution:

Act	Fitch
Aggregate Debt Service	Moody's
Airport Consultant	Net Revenues
Airport System	Operation and Maintenance Expenses
Authority	Operation and Maintenance Fund
Board	Operation and Maintenance Reserve Account
City	Passenger Facility Charges or PFCs
Consulting Engineers	PFC Revenues
Cost of Construction	Rating Agency
Discretionary Fund	Revenues
Fiscal Year	S&P or Standard & Poor's
	United States Obligations (as defined in

“Investment Securities”)

Immediately on and after the Consent Effective Date, the terms “*Available Revenues*” and “*Customer Facility Charges*” or “*CFCs*,” as used in this Indenture, shall have the meaning ascribed to such terms in the Bond Resolution, as the same shall be amended from time to time.

Set forth on Appendix A to this Indenture are the definitions of the foregoing terms as in effect on the date of adoption of this Indenture (and with respect to the terms “*Available Revenues*” and “*Customer Facility Charges*” or “*CFCs*,” to be in effect on the Consent Effective Date). If and when any such defined term is amended within the Bond Resolution, the definition of such term as used in this Indenture shall also automatically be amended without further action hereunder or approval pursuant to Article XIV hereof, except that the Trustee shall not be deemed to have notice of such amendments to the Bond Resolution until the Authority shall have provided such notice in writing.

(b) In addition to the above, the following terms and phrases shall have the following meanings unless some other meaning is plainly intended:

“Accreted Value” means the accreted value of the Capital Appreciation Subordinated Obligations, on the date of calculation, including the original principal amount or discounted principal value (original offering price) thereof, plus interest or principal accreted thereon to the date of calculation, as determined by reference to the accreted value tables contained or referred to in each such Subordinated Obligation.

“Additional Project” means the acquisition and/or construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements or betterments to or reconstructions of the Airport System to be financed, in whole or in part, from the proceeds of any Additional Subordinated Obligations issued pursuant to the provisions of Section 4.09 or 4.11.

“Additional Subordinated Obligations” means Subordinated Obligations of the Authority authenticated and delivered under and pursuant to the provisions of Section 4.09 or 4.11 hereof or Other Parity Indebtedness, in either case having a lien on the Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, ranking on a parity with the lien thereon of the Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness, as applicable, Outstanding hereunder.

“Aggregate Annual Subordinated Debt Service” shall mean for any Fiscal Year the aggregate amount of Annual Debt Service on all Outstanding Subordinated Obligations and Unissued Subordinated Program Obligations, or, when calculating Aggregate Annual Subordinated Debt Service on all Outstanding Priority Subordinated Indebtedness, calculated as to Outstanding Priority Subordinated Indebtedness and Unissued Priority Subordinated Program Obligations. For purposes of calculating Aggregate Annual Subordinated Debt Service, the following components of debt service shall be computed as follows:

(1) in determining the amount of principal to be funded in each year, payment shall (unless a different subsection of this definition applies for purposes of determining

principal maturities or amortization) be assumed to be made on Outstanding Subordinated Obligations and Unissued Subordinated Program Obligations in accordance with any amortization schedule established by the governing documents setting forth the terms of such Subordinated Obligations, including, as a principal payment, the Accreted Value of any Capital Appreciation Subordinated Obligations maturing or scheduled for redemption in such year; in determining the amount of interest to be funded in each year, interest payable at a fixed rate shall (except to the extent subsection (2), (3) or (4) of this definition applies) be assumed to be made at such fixed rate and on the required funding dates; provided, however, that interest payable on the Subordinated Obligations shall be excluded to the extent such payments are to be paid from Capitalized Interest for such Fiscal Year;

(2) if all or any portion or portions of any Outstanding Series of Subordinated Obligations or Unissued Subordinated Program Obligations constitute Balloon Indebtedness (excluding Unissued Subordinated Program Obligations to which subsection (6) applies), then, for purposes of determining Aggregate Annual Subordinated Debt Service, each maturity which constitutes Balloon Indebtedness shall, unless a shorter term is otherwise provided in the Issuing Instrument pursuant to which such Balloon Indebtedness is issued or unless subsection (3) of this definition then applies to such maturity, be treated as if it were to be amortized over a term of not more than 30 years and with substantially level annual debt service funding payments commencing not later than the year following the year in which such Balloon Indebtedness was issued, and extending not later than 30 years from the date such Balloon Indebtedness was originally issued; the interest rate used for such computation for Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Obligations of a corresponding term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax-Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness; with respect to any Series of Subordinated Obligations, Unissued Subordinated Program Obligations or Subordinated Program Obligations only a portion of which constitutes Balloon Indebtedness, the remaining portion shall be treated as described in subsection (1) above or such other provision of this definition as shall be applicable and, with respect to any such Series, Unissued Subordinated Program Obligations or Subordinated Program Obligations or that portion of a Series thereof which constitutes Balloon Indebtedness, all funding requirements of principal and interest becoming due prior to the year of the stated maturity of the Balloon Indebtedness shall be treated as described in subsection (1) above or such other provision of this definition as shall be applicable;

(3) any maturity of Subordinated Obligations which constitutes Balloon Indebtedness as described in subsection (2) of this definition and for which the stated maturity date occurs within 12 months from the date such calculation of Aggregate Annual Subordinated Debt Service is made, shall be assumed to become due and payable

A-5

on the stated maturity date and subsection (2) above shall not apply thereto unless there is delivered to the entity making the calculation of Aggregate Annual Subordinated Debt Service a certificate of an Authorized Authority Representative stating that the Authority intends to refinance such maturity and stating the probable terms of such refinancing and that the debt capacity of the Authority is sufficient to successfully complete such refinancing; and upon the receipt of such certificate, such Balloon Indebtedness shall be assumed to be refinanced in accordance with the probable terms set out in such certificate and such terms shall be used for purposes of calculating Aggregate Annual Subordinated Debt Service, provided that such assumption shall not result in an interest rate lower than that which would be assumed under subsection (2) above and shall be amortized over a term of not more than 30 years from the date of refinancing;

(4) if any Outstanding Subordinated Obligations (including Subordinated Program Obligations) or any Subordinated Obligations which are then proposed to be issued constitute Tender Indebtedness (but excluding Subordinated Program Obligations or Subordinated Obligations as to which a Qualified Derivative is in effect and to which subsection (7) or (8) applies), then, for purposes of determining Aggregate Annual Subordinated Debt Service, Tender Indebtedness shall be treated as if the principal amount of such Subordinated Obligations were to be amortized over a term of not more than 30 years commencing in the year in which such Series is first subject to tender and with substantially level Annual Debt Service payments and extending not later than 30 years from the date such Tender Indebtedness was originally issued; the interest rate used for such computation for Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Obligations of a corresponding term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness; and with respect to all funding requirements of principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in subsection (1) above unless the interest during that period is subject to fluctuation, in which case the interest becoming due prior to such first tender date shall be determined as provided in subsection (5) or (6) below, as appropriate;

(5) if any Outstanding Subordinated Obligations constitute Variable Rate Indebtedness, including obligations described in subsection (8)(ii) to the extent it applies (except to the extent subsection (2) or (3) relating to Balloon Indebtedness or (4) relating to Tender Indebtedness or subsection (8)(i) relating to Synthetic Fixed Rate Debt or subsection (9) relating to Short Term Subordinated Obligations applies), the interest rate on such Subordinated Obligations that are Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for variable rate Subordinated Obligations of a corresponding

term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness; provided, however, that a Holder's optional tender rights relating to any Variable Rate Indebtedness shall not be taken into account;

(6) subject to subsection (9) of this definition of Aggregate Annual Subordinated Debt Service, with respect to any Subordinated Program Obligations or Unissued Subordinated Program Obligations (i) debt service on Subordinated Program Obligations then Outstanding shall be determined in accordance with such of the foregoing provisions of this definition as shall be applicable, and (ii) with respect to Unissued Subordinated Program Obligations, it shall be assumed that the full principal amount of such Unissued Subordinated Program Obligations will be amortized over a term of 30 years from the date the initial Subordinated Program Obligations of such Program are issued and it shall be assumed that debt service shall be paid in substantially level Annual Debt Service payments over such assumed term; the interest rate used for such computation for Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Obligations of a corresponding term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness;

(7) debt service on Repayment Obligations, to the extent such obligations constitute Subordinated Obligations under Section 4.12, shall be calculated as provided in Section 4.12;

(8) (i) for purposes of computing the Aggregate Annual Subordinated Debt Service of Subordinated Obligations which constitute Synthetic Fixed Rate Debt, the interest payable thereon shall, if the Authority elects, be that rate as provided for by the terms of the Qualified Derivative or the net interest rate payable pursuant to offsetting indices, as applicable; or, if the Authority fails to elect such rate, then for Tax Exempt Bonds it shall be deemed to be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority;

(ii) for purposes of computing the Aggregate Annual Subordinated Debt Service of Subordinated Obligations with respect to which a Qualified Derivative has been entered into whereby the Authority has agreed to pay the floating variable rate thereunder, no fixed interest rate amounts payable on the Subordinated Obligations to which such Hedge pertains shall be included in the calculation of Aggregate Annual

Subordinated Debt Service, and the interest rate with respect to such Subordinated Obligations shall, if the Authority elects, be the sum of that rate as determined in accordance with subsection (5) relating to Variable Rate Indebtedness plus the difference between the interest rate on the Designated Debt and the rate received from the Qualified Derivative Provider;

(9) with respect to any Short Term Subordinated Obligations (or portions thereof) that are not designated as a Subordinated Program Obligation, including, without limitation, Line of Credit Indebtedness, the principal and interest thereof shall be calculated as if only the amount actually disbursed to or for the benefit of the Authority as of the date of such calculation, and not theretofore repaid, is the Outstanding Principal Amount of such Short Term Subordinated Obligations, and debt service on such Short Term Subordinated Obligations shall be calculated assuming that the Outstanding principal amount of such Short Term Indebtedness shall be amortized over a term of not more than 30 years from the date of disbursement or such shorter period as may be designated in writing by an Authorized Authority Representative, with substantially level annual debt service payments, and the interest rate used for such computation for Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Obligations of a corresponding term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax-Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness. Notwithstanding the foregoing to the contrary, in calculating Aggregate Annual Subordinated Debt Service with respect to any Short Term Subordinated Obligations, if and to the extent directed by a certificate of an Authorized Authority Representative, the Airport Consultant or an Authorized Authority Representative may rely on projections of a Consultant with respect to the treatment of Outstanding Short Term Subordinated Obligations, including without limitation, assuming that interest on such Obligations is Capitalized Interest for a specified period and that at the end of such period, such Short Term Subordinated Obligations are refunded with the proceeds of Subordinated Bonds bearing interest at a rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Bonds of a corresponding term issued under this Indenture on the date specified in such projection, with no credit enhancement and taking into consideration whether such Subordinated Bonds are Tax Exempt Bonds or Taxable Bonds and whether such Subordinated Bonds are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness, and such Subordinated Bonds shall be amortized over a period of thirty (30) years or such shorter period as designated by such Consultant with substantially level Annual Debt Service payments over such term;

(10) if moneys or Permitted Investments have been irrevocably deposited with and are held by the Trustee or another fiduciary or Capitalized Interest has been set aside exclusively to be used to pay principal and/or interest on specified Subordinated

Obligations, then the principal and/or interest to be paid from such moneys, Permitted Investments or Capitalized Interest or from the earnings thereon shall be disregarded and not included in calculating Aggregate Annual Subordinated Debt Service or Annual Debt Service; and

(11) if (a) prior to the Consent Effective Date, PFC Revenues or State and/or federal grants or other moneys have been irrevocably committed or are held by the Trustee or another fiduciary and are to be set aside exclusively to be used to pay principal of, interest on or premium, if any, on specified Subordinated Obligations pursuant to an Issuing Instrument or a Supplemental Subordinated Indenture (and are not otherwise required for payment of Senior Bonds), or, (b) after the Consent Effective Date, Available Revenues, or State and/or federal grants or other moneys have been irrevocably committed or are held by the Trustee or another fiduciary and are to be set aside exclusively to be used to pay principal of, interest or premium, if any, on specified Subordinated Obligations pursuant to an Issuing Instrument or a Supplemental Subordinated Indenture (and are not otherwise required for payment of Senior Bonds), then the principal, interest and/or premium to be paid from such PFC Revenues, Available Revenues, State and/or federal grants or other moneys or from earnings thereon shall be disregarded and not included in calculating Aggregate Annual Subordinated Debt Service.

“Amortization Installment” means the funds to be deposited in a Debt Service Account in a given Fiscal Year for the payment at maturity or redemption of a portion of a Series of Term Bonds, as established hereby or by Issuing Instrument at or before the delivery of that Series of Term Bonds.

“Annual Debt Service” shall mean, with respect to any Subordinated Obligation for any Fiscal Year, the aggregate amount of principal, premium, if any, and interest becoming due and payable during such Fiscal Year, and if a Qualified Derivative is in effect for any Subordinated Obligation, plus the amount of Regularly Scheduled Hedge Payments payable by the Authority (or the Trustee) under the Qualified Derivative in accordance with the terms thereof, less any amount to be received by the Authority from the Qualified Derivative Provider pursuant to the Qualified Derivative, calculated using the principles and assumptions set forth in the definition of Aggregate Annual Subordinated Debt Service.

“Authenticating Agent” means the Trustee or other authenticating agent appointed by the Authority by Issuing Instrument to authenticate Subordinated Obligations pursuant to Section 4.04 hereof.

“Authorized Amount” shall mean, when used with respect to Subordinated Obligations, including Subordinated Obligations issued pursuant to a Program, the maximum Principal Amount of Subordinated Obligations which is then authorized by an Issuing Instrument or, with respect to a Program, a certificate of an Authorized Authority Representative, to be Outstanding at any one time. Notwithstanding the provisions of this definition of “Authorized Amount,” in connection with Section 4.08(a) and Section 10.01 and the calculation of Aggregate Annual Subordinated Debt Service or Annual Debt Service with respect to a Commercial Paper Program, “Authorized Amount” shall mean the lesser of (i) the authorized amount of Subordinated

Program Obligations set forth in the Issuing Instrument establishing the Commercial Paper Program or (ii) the total amount available (utilized and unutilized, if applicable) under a Credit Facility entered into with respect to such Commercial Paper Program and the total amount of Commercial Paper that may be issued pursuant to a Commercial Paper Program that is not enhanced by a Credit Facility.

“Authorized Authority Representative” means the Authority’s Chairman, the Vice-Chairman, the Treasurer, the Secretary of the Board, the Executive Director, or the Chief Financial Officer, or any other officer or employee of the Authority authorized by resolution of the Authority to perform specific acts or duties related to the subject matter of the authorization, as designated by written certificate furnished to the Trustee containing the specimen signature of such persons and signed by the Chairman. Such certificate may designate an alternate or alternates.

“Authorized Depository” means the Trustee or one or more other banks, trust companies, national banking associations, savings and loan associations, savings banks or other banking associations designated by the Authority with approval of the Trustee that shall have qualified with all applicable state and federal requirements concerning the receipt of Authority funds.

“Available Net Revenues” means all Revenues of the Authority remaining after all deposit requirements in clauses (1), (2) and (3) of Section 405.1 of the Bond Resolution have been satisfied.

“Balloon Indebtedness” shall mean, with respect to any Series of Subordinated Obligations 25% or more of the principal of which matures on the same date or within a Fiscal Year, that portion of such Series which matures on such date or within such Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Subordinated Obligations scheduled to be amortized by prepayment or redemption prior to their stated maturity date. A Commercial Paper Program and the Commercial Paper constituting part of such Program shall be deemed to be Balloon Indebtedness for purposes of this Indenture.

“Bond Counsel” means counsel selected by the Authority that is of nationally recognized standing in the field of law relating to the validity of, and the exclusion of interest on the obligations of states and their political subdivisions from gross income for federal income tax purposes.

“Bondholder,” “Holder” or “Owner” (whether or not capitalized) means the registered owner (or its authorized representative) of any Subordinated Obligation issued in registered form and the bearer of any Subordinated Obligation or coupon with respect thereto issued in bearer or coupon form at any time Outstanding hereunder, any Hedge Provider of a Hedge related to a Subordinated Obligation, and any Credit Provider to which the Authority is obligated to repay Line of Credit Indebtedness under this Indenture or whose Repayment Obligation constitutes a Subordinated Obligation under Section 4.12 hereof.

“Bond Insurer” means, with respect to any Series of Subordinated Obligations, the issuer of a municipal bond insurance policy insuring the payment, when due, of the principal of and interest on such Series or portion of a Series of Subordinated Obligations.

“Bond Registrar” or “Registrar” means the registrar appointed by the Authority, from time to time, under the provisions of Section 4.03 of this Indenture.

“Bond Resolution” means, (i) prior to the Consent Effective Date, the Airport Facilities Revenue Bond Resolution of the Authority Authorizing Airport Facilities Revenue Bonds of the City adopted on June 24, 2015 and effective on July 31, 2015, as amended and supplemented from time to time, and (ii) on and after the Consent Effective Date, the Amended and Restated Airport Facilities Revenue Bond Resolution of the Authority Authorizing Airport Facilities Revenue Bonds of the City approved September 16, 2015, as amended and supplemented from time to time.

“Business Day” means a day on which banking business is transacted in New York City and in the city or cities in which the Trustee has its principal corporate trust office and on which the New York Stock Exchange is open.

“Capital Appreciation Subordinated Obligations” means Subordinated Obligations that bear interest at a compounded rate and which interest is payable only at maturity or upon prior redemption thereof or Subordinated Obligations issued at a discount from par value that bear no stated interest and appreciate in value over time.

“Capitalized Interest” shall mean the amount of interest on a Series of Subordinated Obligations, if any, funded from the proceeds of such Subordinated Obligations or other monies that are deposited with the Trustee in the applicable account within the Construction Fund or the Subordinated Debt Service Funds as shall be described in an Issuing Instrument upon issuance of such Subordinated Obligations to be used to pay interest on such Subordinated Obligations.

“Certificate of Authentication” means a certificate of authentication executed by an Authenticating Agent to authenticate Subordinated Obligations pursuant to Section 4.04 hereof.

“Chairman” means the Chairman or Vice Chairman of the Board.

“Code” means the Internal Revenue Code of 1986, as amended, or any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations, temporary regulations and proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

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

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

“Completion Date” means the date of completion of the acquisition and construction of an Additional Project as that date shall be certified as provided in Section 7.03 hereof.

“Consent Effective Date” means the date on which sufficient consents of holders of Senior Bonds are received and the Amended and Restated Airport Facilities Revenue Bond Resolution of the Authority approved September 16, 2015 becomes effective.

“Construction Fund” means the Fund so designated in and established under Section 7.01 of this Indenture.

“Consultant” shall mean any Independent consultant, consulting firm (including the Airport Consultant), engineer (including the Consulting Engineers), architect, engineering firm, architectural firm, accountant or accounting firm, financial advisory or investment banking firm, or other expert recognized to be well-qualified for work of the character required and retained by the Authority to perform acts and carry out the duties provided for such consultant in this Indenture.

“Costs of Issuance Account” means the account by that name established within the Construction Fund pursuant to Section 7.01 of this Indenture.

“Credit Facility” shall mean a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, standby purchase agreement, Reserve Fund Credit Enhancement or other financial instrument which (i) obligates a third party to advance funds to the Authority for its authorized uses or to make payments of or provide funds to the Trustee for the payment of the principal of and/or interest on Subordinated Obligations, and/or (ii) is available to provide funds with which to purchase Subordinated Obligations, as applicable, whether such obligation is to pay in the first instance and seek reimbursement or to pay only if the Authority fails to do so.

“Credit Provider” shall mean the provider of a Credit Facility.

“Current Interest Bonds” means Subordinated Obligations that bear interest which is payable annually, semiannually or monthly, or such more frequent intervals as the Authority may determine.

“Defeasance Obligations” means Investment Securities described in clauses (i) and (vi) of the definition of “Investment Securities” in the Bond Resolution in effect on the date hereof.

“Designated Debt” shall mean a specific indebtedness, designated by the Authority, in which such debt shall be offset with a Hedge, such specific indebtedness to include all or any part of a Series of Subordinated Obligations.

“Effective Date” has the meaning set forth in the introductory paragraph of this Indenture.

“EMMA” means the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board, or any successor thereto designated as a nationally recognized municipal securities information repository by the SEC.

“Event of Default” shall have the meaning given to such term in Section 11.01.

“FDOT Indebtedness” means indebtedness owed by the Authority to the Florida Department of Transportation from time to time in a principal amount not to exceed \$55,000,000.

“Hedge” shall mean any financial arrangement between the Authority and a financial institution (including, but not limited to, a Qualified Derivative Provider) which provides that (a) each of the parties shall pay to the other an amount or amounts calculated as if such amount were interest accruing during the term of the arrangement at a specified rate (whether fixed or a variable rate or measured against some other rate) on a Designated Debt, and payable from time to time or at a designated time or times (whether before, during or after the term of the arrangement); (b) if such amount is to be paid before it is deemed to have accrued, the amount paid shall reflect the present value of such future amount (i.e. an upfront premium), while an amount to be paid after it is deemed to have accrued shall reflect the time value of such funds; and (c) payment dates and calculated accrual rates need not be the same for each payor, but to the extent payment dates coincide, the arrangement may (but need not) provide that one shall pay to the other any net amount due under such arrangement.

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

“Hedge Termination Payment” shall mean an amount payable by the Authority or a Hedge Provider, in accordance with a Hedge, to compensate the other party to the Hedge for any losses and costs that such other party may incur as a result of an event of default or the early termination of the obligations, in whole or in part, of the parties under such Hedge.

“Implemented” shall mean, when used with respect to a Program, a Program which has been authorized and the terms thereof approved by a resolution adopted by the Board and, with respect to which Program, the items described in Sections 4.08 and 4.09(a) through (h) or the items described in Sections 4.08 and 4.11(a) through (h) have been filed with the Trustee.

“Indenture” means this Amended and Restated Master Subordinated Indenture of Trust, together with all Supplemental Subordinated Indentures as herein permitted.

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

“Issuing Instrument” means, with respect to a Series of Subordinated Obligations, the Supplemental Subordinated Indenture, trust agreement, loan agreement, lease, installment purchase agreement, revolving or line of credit agreement, or other instrument or agreement pursuant to which such Subordinated Obligations are issued or incurred.

“Line of Credit Indebtedness” means the Authority’s obligations to a Credit Provider to repay principal of and interest on drawings on a Credit Facility constituting a line of credit or similar facility, and other amounts due thereunder, pursuant to the terms of the Issuing Instrument between the Authority and the Credit Provider.

“Maturity Amount” means the amount payable at maturity of a Capital Appreciation Subordinated Obligation consisting of the original principal amount thereof or discounted present value (original offering price) and interest or principal accreted thereon to the maturity date thereof, as determined by reference to the accreted value tables contained or referred to in such Capital Appreciation Subordinated Obligation.

“Notes” means Subordinated Obligations issued under the provisions of Article IV of this Indenture which have a maturity of one year or less from their date of original issuance and which are not part of a Commercial Paper Program.

“Operation and Use Agreement” means the Amended and Restated Operation and Use Agreement dated as of August 31, 2015, amending and restating the agreement originally dated September 27, 1976, between the City and the Authority.

“Other Parity Indebtedness” means the Authority’s obligations under and with respect to (a) the FDOT Indebtedness and the Line of Credit Indebtedness in existence on the date this Indenture is adopted and effective, and (b) Line of Credit Indebtedness and FDOT Indebtedness hereafter incurred; provided, however, that the aggregate principal amount of Line of Credit Indebtedness constituting Other Parity Indebtedness shall not exceed \$550 million.

“Outstanding” when used with reference to Subordinated Obligations, means as of a particular date, all Subordinated Obligations that have been or are being on such date authenticated (if necessary) and delivered under this Indenture (including all drawn and unpaid Line of Credit Indebtedness) except (a) any Subordinated Obligation cancelled at or before said date, (b) any Subordinated Obligation (or portion of Subordinated Obligation) for the payment or redemption of which moneys equal to the principal amount (or, with respect to Capital Appreciation Subordinated Obligations, Maturity Amount) and premium, if any, thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been deposited with the Trustee or an Authorized Depository acting as an Escrow Agent in trust (whether upon or prior to maturity or the redemption date of such Subordinated Obligation) and, except in the case of a Subordinated Obligation to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with Article VI or provision satisfactory to the Trustee shall have been made for the giving of such notice, (c) any Subordinated Obligation in lieu of or in substitution for which another Subordinated Obligation shall have been authenticated (if necessary) and delivered pursuant to Article IV or Section 6.03, (d) Repayment Obligations deemed to be Subordinated Obligations under Section 4.12 hereof and (e) any Subordinated Obligation deemed to have been paid as provided in Section 15.01; provided, however, that any Outstanding Subordinated Obligations held by or on behalf of the Authority shall not be deemed to be Outstanding for purposes of determining Bondholder consent or direction under Article XI or Section 14.02.

“Paying Agent” means any bank or trust company designated by the Authority as paying agent for the Subordinated Obligations of any Series, and its successor or successors hereafter appointed in the manner provided in this Indenture. Notwithstanding any provisions hereof to the contrary, the Authority may serve as Paying Agent for a Series of Subordinated Obligations.

“Permitted Investments” means (a) “Investment Securities” as defined in the Bond Resolution, as it may be amended from time to time, other than the final clause thereof, and (b) any additional investments then permitted by law and the Authority’s investment policy, as amended from time to time.

“Pledged Secondary Subordinated Revenues” means, on and after the Consent Effective Date, except as otherwise expressly provided in the Issuing Instrument for a Series of Subordinated Obligations (i) Available Net Revenues remaining after all amounts required to be deposited in the Priority Subordinated Debt Service Fund, the Priority Subordinated Debt Service Reserve Fund and the Operation and Maintenance Reserve Account pursuant to clauses (4), (5) and (6) of Section 405.1 of the Bond Resolution have been provided for and, (ii) after provision for deficiencies in the accounts for the Outstanding Senior Bonds and Priority Subordinated Indebtedness as provided in Section 411 of the Bond Resolution, any remaining amounts in the Discretionary Fund available for the purpose of paying Subordinated Obligations as provided in Section 411 of the Bond Resolution, but Pledged Secondary Subordinated Revenues shall exclude amounts on deposit in the Rebate Fund, and shall include all moneys and investments on deposit in the Secondary Subordinated Debt Service Fund and the Secondary Subordinated Debt Service Reserve Fund created hereunder to the extent provided herein and/or (iii) any Available Revenues pledged by the Authority to the payment of Secondary Subordinated Indebtedness by a Supplemental Subordinated Indenture or by an Issuing Instrument; provided, however, that moneys in an account of the Secondary Subordinated Debt Service Reserve Fund shall secure only the Series of Secondary Subordinated Indebtedness designated by Issuing Instrument to be secured by such account. Available Revenues not required for payment of and not pledged to secure one or more Series of Senior Bonds or Priority Subordinated Indebtedness may be pledged to secure any Series of Secondary Subordinated Indebtedness, either alone or with the Pledged Secondary Subordinated Revenues described in clauses (i) and/or (ii), if and to the extent provided in the Issuing Instrument or a Supplemental Subordinated Indenture with respect to a Series of Secondary Subordinated Indebtedness.

“Pledged Subordinated Revenues” means, except as otherwise expressly provided in the Issuing Instrument for a Series of Subordinated Obligations, (i) the Available Net Revenues, (ii) all moneys and investments on deposit in the funds and accounts created hereunder (other than the Secondary Subordinated Debt Service Fund, the Secondary Subordinated Debt Service Reserve Fund and the Rebate Fund) to the extent provided herein, and, after provision for deficiencies in the accounts for the Outstanding Senior Bonds as provided in Section 411 of the Bond Resolution, any remaining amounts in the Discretionary Fund available for the purpose of paying Subordinated Obligations as provided in Section 411 of the Bond Resolution, and/or (iii) any other revenues or, on and after the Consent Effective Date, Available Revenues pledged by the Authority to the payment of the Priority Subordinated Indebtedness by a Supplemental Subordinated Indenture or by an Issuing Instrument; provided, however, that moneys in an account of the Priority Subordinated Debt Service Reserve Fund shall secure only the Series of Priority Subordinated Indebtedness designated by Issuing Instrument to be secured by such

account. Before the Consent Effective Date, PFC Revenues, and on and after the Consent Effective Date, Available Revenues, in each case not required for payment of and not pledged to secure one or more Series of Senior Bonds, may be pledged to secure any Series of Priority Subordinated Indebtedness, either alone or with Available Net Revenues and/or other funds described in clause (ii), if and to the extent provided in the Issuing Instrument or a Supplemental Subordinated Indenture with respect to a Series of Priority Subordinated Indebtedness.

“Pooled Subordinated Reserve Account Requirement” means the lesser of the following: (x) ten percent (10%) of the aggregate Outstanding principal amount, from time to time, of each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account; (y) the maximum aggregate annual principal of and interest on each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account for any Fiscal Year; and (z) one hundred twenty-five percent (125%) of the average annual principal and interest requirements on each Series of Priority Subordinated Indebtedness secured by the Pooled Subordinated Reserve Account.

“Pooled Subordinated Reserve Account” means the account by that name established within the Priority Subordinated Debt Service Reserve Fund pursuant to Section 8.01 of this Indenture.

“Principal Amount” means, as of any date of calculation, (a) with respect to any Capital Appreciation Subordinated Obligations, the Accreted Value thereof (the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest), and (b) with respect to any other Subordinated Obligations, the Outstanding principal amount of such Subordinated Obligations.

“Priority Subordinated Indebtedness” shall mean Subordinated Obligations (other than Subordinated Obligations identified in an Issuing Instrument as Secondary Subordinated Indebtedness) and shall be issued pursuant to Section 4.09 hereof or as Other Parity Indebtedness (unless such Other Parity Indebtedness is identified in an Issuing Instrument as Secondary Subordinated Indebtedness) and secured on a parity basis by the Pledged Subordinated Revenues.

“Priority Subordinated Debt Service Fund” means the fund by that name established pursuant to Section 8.01 of this Indenture.

“Priority Subordinated Debt Service Reserve Fund” means the fund by that name established pursuant to Section 8.01 of this Indenture.

“Program” shall mean a financing program all or a portion of which is (x) identified as a Program in an Issuing Instrument, which identification is not subsequently withdrawn in a certificate of an Authorized Authority Representative, or (y) identified as a Program by a certificate of an Authorized Authority Representative, including but not limited to a Commercial Paper Program, and (a) which is authorized and the terms thereof approved by a resolution adopted by the Board and the items described in Section 4.09 or 4.11 have been filed with the Trustee, (b) wherein the Authority has authorized the issuance, from time to time, of Short Term Subordinated Obligations in an Authorized Amount, and (c) the Authorized Amount of which

has either (x) met the additional bonds test set forth in Section 4.10 of this Indenture or (y) is issued as Secondary Subordinated Indebtedness pursuant to Section 4.11 of this Indenture and the Outstanding amount of which may vary from time to time, but not exceed the Authorized Amount; provided, however, that some or all of a Series of Short Term Subordinated Obligations may be identified in an Issuing Instrument or, at any time after the issuance or Implementation thereof, by a certificate of an Authorized Authority Representative as being part of a Program, and the aggregate Principal Amount of the Program of such Series may be changed from time to time by a certificate of an Authorized Authority Representative to the extent the portion of the Authorized Amount of such Short Term Subordinated Obligations are not then issued and Outstanding.

“Qualified Derivative” shall mean any Hedge (a) whose Designated Debt is all or part of a particular Series of Subordinated Obligations; (b) whose Hedge Provider is a Qualified Derivative Provider; (c) which has a term not greater than the term of the Designated Debt or to a specified mandatory tender or redemption of such Designated Debt; and (d) which has been designated in writing to the Trustee by the Authority as a Qualified Derivative with respect to such Subordinated Obligations. In the event the credit rating of the counterparty to a Qualified Derivative is reduced below the rating categories required of a Qualified Derivative Provider and no additional security is provided in accordance with the definition of “Qualified Derivative Provider,” such Hedge shall no longer constitute a Qualified Derivative for purposes hereof.

“Qualified Derivative Provider” shall mean financial institution (a) whose senior long-term debt obligations, or (b) whose obligations under any Qualified Derivative are guaranteed by a financial institution, or subsidiary of a financial institution, in either case, (x) whose senior long-term debt obligations, are rated at least “A2”, in the case of Moody’s and “A”, in the case of S&P, or the equivalent thereto in the case of any successor thereto, or (y) fully secured by obligations described in items (i) or (ii) of the definition of Investment Securities in the Bond Resolution which are (i) valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to 105% of the principal amount of the investment, together with the interest accrued and unpaid thereon, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Trustee, (iii) subject to a perfected first lien on behalf of the Trustee, and (iv) free and clear from all third party liens.

“Rebate Amount” means, with respect to each Series of Subordinated Obligations issued hereunder that are Tax Exempt Bonds, the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the applicable Series of Subordinated Obligations, plus any income attributable to such excess, or such other amount as may be necessary to comply with Section 148 of the Code as is set forth in an opinion of Bond Counsel.

“Rebate Fund” means the fund that may hereafter be established by that name pursuant to Section 8.01 hereof.

“Refunding Subordinated Obligations” means any Subordinated Obligations issued pursuant to Sections 4.09 and 4.10(c)(1) or Section 4.11 of this Indenture to refund or defease all or a portion of any Series of Outstanding Subordinated Obligations or Senior Bonds.

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

“Repayment Obligation” shall mean any obligation of the Authority arising under a written agreement of the Authority and a Credit Provider pursuant to which a Credit Facility is issued to secure payment of debt service on any Subordinated Obligations or to purchase Subordinated Obligations.

“Reserve Fund Credit Enhancement” means an irrevocable letter of credit, insurance policy, surety bond or other credit enhancement issued to satisfy, in whole or in part, the Authority’s deposit requirements under this Indenture with respect to an account in the applicable Subordinated Debt Service Reserve Fund established with respect to a particular Series of Subordinated Obligations issued by a Reserve Product Provider, which meets the requirements of Section 8.05 of this Indenture, and which is acceptable in form and substance to each Bond Insurer, if any, of the Subordinated Obligations secured by such account.

“Reserve Product Provider” means a nationally recognized bond insurance provider or a bank or other financial institution providing a Reserve Fund Credit Enhancement, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of and interest on bond issues by public entities results in such issues (as of the date the Reserve Fund Credit Enhancement is provided) being rated in one of the three highest full rating categories by at least one Rating Agency.

“Reserve Requirement” means with respect to each Series of Subordinated Obligations issued hereunder, as of any date of calculation for a particular account of a Subordinated Debt Service Reserve Fund, the amount of money, if any, or available amount of Reserve Fund Credit Enhancement, if any, or a combination thereof, required by the Issuing Instrument for such Series to be maintained in an account in the applicable Subordinated Debt Service Reserve Fund with respect to such Series of Subordinated Obligations pursuant to Section 8.05 hereof, and which amount shall be available for use only with respect to such Series of Subordinated Obligations. Notwithstanding anything to the contrary contained herein, prior to the issuance of any Series of Subordinated Obligations such Subordinated Obligations may be secured by a specified account within the applicable Subordinated Debt Service Reserve Fund pursuant to the Issuing Instrument authorizing such Subordinated Obligations, if the Issuing Instrument that initially established such account provided for securing more than one Series of Subordinated Obligations of the same lien with such account, or the Authority may elect not to establish an account within the applicable Subordinated Debt Service Reserve Fund to secure such Series of Subordinated Obligations.

“Resolution” means a resolution duly adopted by the Authority or the City Council of the City.

“SEC” means the United States Securities and Exchange Commission.

“Secondary Subordinated Indebtedness” shall, on and after the Consent Effective Date, mean Subordinated Obligations (other than Subordinated Obligations identified in an Issuing Instrument as Priority Subordinated Indebtedness) and shall be issued pursuant to Section 4.11 of this Indenture or as Other Parity Indebtedness identified in an Issuing Instrument as Secondary Subordinated Indebtedness and secured on a parity basis by the Pledged Secondary Subordinated Revenues.

“Secondary Subordinated Debt Service Fund” means the fund by that name established pursuant to Section 8.01 of this Indenture.

“Secondary Subordinated Debt Service Reserve Fund” means the fund by that name established pursuant to Section 8.01 of this Indenture.

“Secretary” means the Secretary or any Assistant Secretary of the Board.

“Senior Bonds” means bonds issued and outstanding under the Bond Resolution.

“Serial Bonds” means all Subordinated Bonds of a Series other than Term Bonds.

“Series” means any portion of the Subordinated Obligations of an issue authenticated and delivered in a single transaction, payable from an identical source of revenue and identified pursuant to the Issuing Instrument authorizing such Subordinated Obligations as a separate Series of Subordinated Obligations, regardless of variations in form, maturity, interest rate, Amortization Installments or other provisions, and any Subordinated Obligations thereafter authenticated and delivered in lieu of or in substitution of a Series of Subordinated Obligations issued pursuant to this Indenture.

“Short Term Subordinated Obligations” means Subordinated Obligations issued as Commercial Paper, Line of Credit Indebtedness, or Notes or, to the extent provided in Section 4.12 hereof, a Credit Facility.

“State” means the State of Florida.

“Subordinated Bond” or “Subordinated Bonds” means Subordinated Obligations that are not Short Term Subordinated Obligations or payments on Hedges, which may be issued as Priority Subordinated Bonds or Secondary Subordinated Bonds.

“Subordinated Debt Service Funds” means the funds by that name established pursuant to Section 8.01 of this Indenture; provided that the Priority Subordinated Debt Service Fund shall secure only the Priority Subordinated Indebtedness and the Secondary Subordinated Debt Service Fund shall secure only the Secondary Subordinated Indebtedness.

“Subordinated Debt Service Reserve Funds” means the funds by that name established pursuant to Section 8.01 of this Indenture; provided that the Priority Subordinated Debt Service Reserve Fund shall secure only the Priority Subordinated Indebtedness and the Secondary

Subordinated Debt Service Reserve Fund shall secure only the Secondary Subordinated Indebtedness.

“Subordinated Obligations” means all indebtedness issued from time to time pursuant to this Indenture, and shall include both Priority Subordinated Indebtedness and Secondary Subordinated Indebtedness, which may be issued as Subordinated Bonds, Notes, Commercial Paper, Line of Credit Indebtedness, Other Parity Indebtedness or any other indebtedness authorized under this Indenture and the Act or, to the extent provided in Section 4.12 hereof, Repayment Obligations under a Credit Facility or, to the extent provided in Section 4.13 hereof, Regularly Scheduled Hedge Payments, Hedge Termination Payments and amounts due the Trustee under Section 12.05 of this Indenture as indemnification obligations.

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

“Subordinated Revenue Fund” means the fund by that name established pursuant to Section 8.01 of this Indenture.

“Supplemental Subordinated Indenture” means an indenture amending or supplementing this Indenture adopted and becoming effective in accordance with the terms of Article XIV.

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

“Tax Exempt Bonds” means Subordinated Obligations the interest on which is intended at the time of issuance thereof to be excluded from the gross income of the holders thereof for federal tax purposes.

“Tax Exempt Index” means the Bond Buyer 25 Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*.

“Taxable Bonds” means Subordinated Obligations the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the holders thereof for federal tax purposes.

“Taxable Rate Index” means the interest rate determined by a Consultant designated by an Authorized Authority Representative as being the interest rate that Taxable Bonds with characteristics substantially the same as the Taxable Bonds for which such interest rate is being determined would bear under then-current market conditions.

“Tender Indebtedness” shall mean any Subordinated Obligations or portions of Subordinated Obligations a feature of which is a mandatory obligation on the part of the Holders, under the terms of such Subordinated Obligations, to tender all or a portion of such Subordinated

Obligations on one or more specified dates or upon the occurrence of one or more specified conditions to the Authority, the Trustee, the Paying Agent or other fiduciary or agent or Credit Provider for payment or purchase and requiring that such Subordinated Obligations or portions of Subordinated Obligations be purchased if properly presented.

“Term Bonds” means Subordinated Bonds of a Series for which Amortization Installments are established, and such other Subordinated Bonds of a Series so designated by the Issuing Instrument authorizing such Series of Subordinated Bonds.

“Transfers” has the meaning set forth in Section 10.01 hereof.

“Trustee” means U.S. Bank National Association, or its successor or successors hereafter appointed in the manner provided in this Indenture.

“Unissued Priority Subordinated Program Obligations” shall mean Unissued Subordinated Program Obligations payable from Pledged Subordinated Revenues.

“Unissued Subordinated Program Obligations” shall mean the bonds, notes or other indebtedness authorized to be issued pursuant to a Program and payable from Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, issuable in an amount up to the Authorized Amount relating to such Program, which have been approved for issuance by the Authority pursuant to an Issuing Instrument and with respect to which Program, except as otherwise provided for herein, the items described in Section 4.09 or 4.11 have been filed with the Trustee but which have not yet been authenticated and delivered pursuant to the Program documents.

“Variable Rate Indebtedness” means Subordinated Obligations issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage at the date of issue for the entire term thereof, excluding any Commercial Paper.

Section 3.02. Uses of Phrases. Words of the masculine gender used herein shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words “Bond,” “Bondholder,” “Holder,” “Obligation,” “registered owner” and “person” shall include the plural as well as the singular number, and the word “person” shall include corporations, limited liability companies, partnerships and associations, including public bodies, as well as persons. “Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Indenture and not solely to the particular portion thereof in which any such word is used. Any percentage of Subordinated Obligations, specified herein for any purpose, is to be calculated on the unpaid principal amount thereof (or, with respect to Capital Appreciation Subordinated Obligations, the Accreted Amount at the maturity date thereof) then Outstanding.

ARTICLE VII FORM, EXECUTION, AUTHENTICATION, DELIVERY AND REGISTRATION OF SUBORDINATED OBLIGATIONS

Section 4.01. Authority for Issuance of the Subordinated Obligations.
The Authority shall by Issuing Instrument authorize the issuance of one or more Series of

Subordinated Obligations to be issued hereunder for any purpose for which the Authority may incur indebtedness under the Act and this Indenture.

Section 4.02. Limitation on Issuance of Subordinated Obligations. No Subordinated Obligations may be issued under the provisions of this Indenture except in accordance with the provisions of this Article.

Section 4.03. General Terms. Unless otherwise provided in the Issuing Instrument authorizing such Subordinated Obligations, each Subordinated Bond shall bear interest from the later of the dated date or original issue date shown thereon or the most recent interest payment date to which interest has been paid, until payment of the principal sum or until provision for the payment thereof on or after the maturity or redemption date has been duly provided for. In the case of Current Interest Bonds, interest shall be paid by check or draft of the Paying Agent mailed to the registered owner thereof unless otherwise provided by the Issuing Instrument. Principal of Subordinated Obligations and any accreted interest on Capital Appreciation Subordinated Obligations shall be payable at maturity or earlier redemption thereof upon presentation and surrender of such Subordinated Obligations (except for payment of Amortization Installments on Term Bonds) at the designated office of the Trustee by check or draft unless otherwise provided by the Issuing Instrument. The principal of, interest on and any other payment with respect to the Subordinated Obligations shall be payable in lawful money of the United States of America on their respective dates of payment. If any date for payment of the principal of, premium, if any, interest or any other payment on any Subordinated Obligation is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment and no additional interest shall accrue or be payable.

All Subordinated Obligations issued hereunder other than Taxable Bonds shall, to the extent necessary to cause interest thereon to be excludable from gross income for federal income tax purposes, be in registered form. To the extent the Authority under then applicable law may issue any Series of Subordinated Obligations in coupon form, the interest on which, in the opinion of Bond Counsel, is excluded from gross income for federal income tax purposes, or, to the extent that such Subordinated Obligations are to be issued as Taxable Bonds, the Authority may amend or supplement this Indenture to authorize and provide for the issuance and payment of coupon or bearer Subordinated Obligations. Registration and registration of transfer of the Subordinated Obligations shall be subject to the terms set forth in the Issuing Instrument authorizing such Subordinated Obligations. In addition, notwithstanding the foregoing, if and to the extent permitted by applicable law, the Authority may establish a system of registration and may issue thereunder uncertificated registered public obligations (not represented by instruments) commonly known as book-entry obligations, certificated registered public obligations (represented by instruments), combinations thereof, or such other obligations as may then be permitted by law. If the Authority adopts a system for the issuance of uncertificated registered public obligations, it may permit thereunder the conversion, at the option of a holder of any Subordinated Obligation then Outstanding, of a certificated registered public obligation to an uncertificated registered public obligation, and the reconversion of the same. A list of the names and addresses of the Holders of the Subordinated Obligations shall be maintained at all times by the Bond Registrar, and shall be available for inspection during normal business hours to any Bondholder requesting same during normal business hours.

The registration of the Subordinated Obligations may be transferred upon the registration books therefor upon delivery to the Registrar, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the registered owner of such Subordinated Obligations or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of such Subordinated Obligations, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of the Subordinated Obligations, the Bond Registrar shall at the earliest practical time in accordance with the provisions of this Indenture enter the transfer of ownership in the registration books for the Subordinated Obligations and (unless uncertificated registration shall be requested and the Authority has a registration system that will accommodate uncertificated registration) shall deliver in the name of the new transferee or transferees a new fully registered Subordinated Obligation of the same form and maturity and of authorized denomination or denominations for the same aggregate principal amount and payable from the same sources of funds. Except as otherwise provided in the applicable Issuing Instrument, neither the Authority nor the Bond Registrar shall be required to register the transfer of any Subordinated Obligation during the fifteen (15) days next preceding an interest payment date on the Subordinated Obligations or, in the case of any proposed redemption of Subordinated Obligations, after such Subordinated Obligations or any portion thereof have been selected for redemption. The Bond Registrar or the Authority may charge the Holders of such Subordinated Obligations for the registration of every such transfer of such Subordinated Obligations in an amount sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid, except for any such governmental charge imposed by the Authority or the City, with respect to the registration of such transfer, and may require that such amounts be paid before any such new Subordinated Obligations shall be delivered.

The Authority shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary to cause the registration, registration of transfer and reissuance of the Subordinated Obligations within a commercially reasonable time according to the then current industry standards and to cause the timely payment solely from the sources herein provided of interest, principal and premium, if any, payable with respect to the Subordinated Obligations. The Authority hereby appoints the Trustee as initial Paying Agent, Bond Registrar and Authenticating Agent to authenticate the Subordinated Obligations and to keep the books for the registration and transfer of Subordinated Obligations as provided in this Indenture. Except as otherwise provided in this Indenture, the Authority may remove any existing Bond Registrar and appoint new Bond Registrars upon due written notice to the Trustee.

With respect to one or more Series of Subordinated Obligations issued hereunder, the forms of the Subordinated Obligations may provide that the holder of any such Subordinated Obligation may demand that the Authority purchase such Subordinated Obligation by payment of principal and interest within a stated period after delivering notice to a designated agent for the Authority and providing a copy of the notice with the tender of the Subordinated Obligations to such agent. The designated agent for the Authority, in accordance with the terms of a remarketing or replacement agreement, may provide for the resale or redelivery of the Subordinated Obligations on behalf of the Authority at a price provided for in the agreement. If the Subordinated Obligations shall not be resold or redelivered within a stated period, the agent for the Authority may be authorized to draw upon a previously executed Credit Facility between

the Authority and one or more banks or other financial or lending institutions permitting the Authority to borrow amounts to be used for the purchase of the Subordinated Obligations to which such Credit Facility shall pertain. The particular form or forms of such demand provisions, the period or periods for payment of principal and interest after delivery of notice, the appointment of the agent for the Authority, the terms and provisions of the remarketing or replacement agreement, and the terms and provisions of the Credit Facility shall be as designated by an Issuing Instrument. Unless otherwise provided by an Issuing Instrument, a purchase by or on behalf of the Authority of Subordinated Obligations pursuant to a mandatory or optional tender shall not be deemed a redemption of such Subordinated Obligations and will not be deemed to extinguish or discharge the indebtedness evidenced by such Subordinated Obligations. Except as otherwise provided in an Issuing Instrument, any Subordinated Obligations purchased by or on behalf of the Authority pursuant to an optional or mandatory tender shall be purchased with the intent that the indebtedness evidenced by such Subordinated Obligations shall not be extinguished or discharged and such Subordinated Obligations shall remain Outstanding hereunder unless and until such Subordinated Obligations are delivered to the Trustee for cancellation. The Authority shall not be required to fund deposits otherwise required hereunder with respect to Subordinated Obligations purchased and held by it as herein contemplated and the Trustee shall not make any withdrawals or payments with respect to such Subordinated Obligations held by the Authority.

Section 4.04. Authentication and Execution of Subordinated Obligations.

Except as may be otherwise provided in the Issuing Instrument for a Series of Subordinated Obligations, no Subordinated Obligation shall be valid or obligatory for any purpose unless and until a Certificate of Authentication substantially in the form hereinafter set forth in Section 4.05 shall have been duly executed by the Trustee or other Authenticating Agent appointed by the Authority, and such certificate of the Authenticating Agent upon any such Subordinated Obligation shall be conclusive evidence that such Subordinated Obligation has been duly authenticated and delivered under this Indenture. The Authenticating Agent's Certificate of Authentication on any Subordinated Obligation shall be deemed to have been duly executed if signed by an authorized officer of the Authenticating Agent, but it shall not be necessary that the same officer sign the Certificate of Authentication on all of the Subordinated Obligations that may be issued hereunder at any one time or from time to time.

Except as may be otherwise provided in the Issuing Instrument for a Series of Subordinated Obligations, the Subordinated Obligations shall be signed and executed by the Mayor of the City and countersigned by the Chairman of the Authority, either manually or by facsimile, and the official seal of the City, or a facsimile thereof, shall be impressed, affixed, imprinted or lithographed on the Subordinated Obligations, and attested by the manual or facsimile signature of the City Clerk of the City, provided, however, that at least one of such signatures or the signature of the Authenticating Agent executing the Certificate of Authentication on the Subordinated Obligations shall be manual. If any officer whose signature appears on the Subordinated Obligations ceases to hold office before the delivery of the Subordinated Obligations, his signature shall nevertheless be valid and sufficient for all purposes. In addition, any Subordinated Obligation may bear the signature of, or may be signed by, such persons as at the actual time of execution of such Subordinated Obligation shall be the proper officers to sign such Subordinated Obligation although at the date of such Subordinated Obligation or the date of delivery thereof such persons may not have been such officers.

Section 4.05. Forms of the Subordinated Obligations. The text of the Subordinated Obligations, the forms of assignment for such Subordinated Obligations and the forms for the Certificate of Authentication, shall be in the form specified in this Section 4.05 and by the Issuing Instrument that authorizes such Series of Subordinated Obligations, with such omissions, insertions and variations as may be necessary or desirable and authorized, permitted by or not inconsistent with this Indenture or by any supplemental indenture entered into prior to the issuance thereof or (as long as not inconsistent with this Indenture) as may be approved by the Chairman of the Authority. All Subordinated Obligations (other than Subordinated Obligations Outstanding on the date of adoption of this Indenture) shall contain a statement to the following effect:

"The [Priority] [Secondary] Subordinated Indebtedness are special obligations of the Authority, payable solely from and secured by a pledge of Pledged [Secondary] Subordinated Revenues derived from the Authority from the operations of the Airport System, the proceeds of Outstanding [Priority] [Secondary] Subordinated Indebtedness held by the Trustee, and certain funds and accounts held by the Trustee. None of the properties of the Airport System are subject to any mortgage or other lien for the benefit of the Holders of the [Priority] [Secondary] Subordinated Indebtedness, and neither the full faith and credit nor the taxing power, if any, of the Authority, the City of Orlando, the State of Florida or any political subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Subordinated Obligations. The Authority has no taxing power."

In addition, each Subordinated Obligation (other than Subordinated Obligations Outstanding on the date of adoption of this Indenture) shall contain an express statement that such obligation and the interest thereon are junior and subordinate in all respects to the Senior Bonds as to the lien on and source and security for payment from Net Revenues.

Except as may be provided by the Issuing Instrument for a Series of Subordinated Obligations, the Certificate of Authentication shall be in the following form:

Certificate of Authentication

This Subordinated Bond is one of the Subordinated Bonds designated in and executed under the provisions of the within mentioned Indenture.

(Name of Authenticating Agent)

By _____
Authorized Officer

Date of Authentication:

[To be typed on the reverse side of Registered Subordinated Bonds]

Section 4.06. Ownership of Subordinated Obligations. The persons in whose names the Subordinated Obligations issued in registered form shall be registered shall be deemed and regarded as the absolute owners thereof for all purposes, and payment of or on

account of the principal of any such registered Subordinated Obligation and the interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such registered Subordinated Obligation, including the interest thereon to the extent of the sum or sums so paid. The Authority and the Trustee shall deem and treat the bearer of any Subordinated Obligation issued in bearer form as the absolute owner thereof (whether or not such bearer Subordinated Obligation shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Trustee), for the purpose of receiving payment thereof or on account thereof and for all other purposes, and neither the Authority, nor the Trustee shall be affected by any notice to the contrary. If Subordinated Obligations are additionally secured by a Credit Facility, the Authority may provide in the Issuing Instrument that the issuer of such Credit Facility shall be deemed and treated as the owner of such Subordinated Obligations for the purpose of giving instructions or granting consents to the Trustee, consenting to amendments to this Indenture and for other limited purposes provided therein.

Section 4.07. Mutilated, Destroyed, Lost or Stolen Subordinated Obligations. In case any Subordinated Obligations shall become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Trustee shall, upon being indemnified as hereinafter provided, authorize the issuance, registration and delivery of a new Subordinated Obligation of like tenor as the Subordinated Obligation so mutilated, improperly cancelled, destroyed, stolen or lost, in exchange and substitution for such mutilated or improperly cancelled Subordinated Obligation or in lieu of and substitution for the Subordinated Obligation destroyed, stolen or lost, or if any Subordinated Obligation shall have matured or be about to mature, instead of issuing a substitute Subordinated Obligation, the Authority may cause the same to be paid upon being indemnified as hereinafter provided, and if such Subordinated Obligation be lost, stolen or destroyed, without surrender thereof. The Authority or the Trustee shall require the Bondholder to furnish the Authority and the Trustee proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Authority and the Trustee, to give the Authority and the Trustee an indemnity bond in such amount as either of them may require, and to comply with such other reasonable regulations and conditions as they prescribe and pay such expenses as they may incur, all as a condition precedent to the issuance, registration and authentication of such duplicate Subordinated Obligations. All such original Subordinated Obligations shall be cancelled by the Trustee and held for the account of the Authority.

Any such duplicate Subordinated Obligations issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Authority, whether or not the lost, stolen or destroyed Subordinated Obligations be at any time found by anyone. Such duplicate Subordinated Obligations shall in all respects, except for the number, be identical with those replaced except that they shall bear on their face the following additional clause:

“This Subordinated Obligation is issued to replace a lost, stolen, mutilated, cancelled or destroyed Subordinated Obligation.”

Such duplicate Subordinated Obligations shall be entitled to equal proportionate benefits and rights as provided herein with all other Subordinated Obligations issued hereunder, the

obligations of the Authority upon the new Subordinated Obligations being identical with its obligations upon the original Subordinated Obligations and the rights of the registered owner being the same as those conferred by the original Subordinated Obligations.

Section 4.08. Issuance of Series of Subordinated Obligations; Issuing Instrument Required. Prior to the authentication and delivery of any Series of Subordinated Obligations, the Authority shall approve an Issuing Instrument which shall specify or shall delegate, within specified parameters, to an Authorized Authority Representative the ability to determine the following:

(a) the maximum Authorized Amount of such Series of Subordinated Obligations, the designation and denomination or denominations thereof, the purchase price and original purchaser or purchasers thereof, and the directions for the authentication and delivery of the Subordinated Obligations upon payment of the purchase price therein set forth;

(b) the purpose or purposes for which such Series is being issued, the use of proceeds of such Subordinated Obligations not inconsistent with this Indenture or the Act, and the Funds and accounts therein established under this Indenture to which such proceeds shall be deposited;

(c) the date of such Series and maturity and interest payment dates, provided that except as otherwise provided in such Issuing Instrument, each maturity date shall be October 1 (or, in the event of semiannual maturities of principal, October 1 or April 1) and that, except as may be otherwise provided by such Issuing Instrument, interest payment dates shall be October 1 and April 1, and whether such obligations constitute Priority Subordinated Indebtedness or, on and after the Consent Effective Date, Secondary Subordinated Indebtedness;

(d) the interest rate or rates, if any, or the maximum acceptable interest rate, and the method of determining such interest rates, of such Series, which may include variable, adjustable, dual, auction reset, commercial paper, convertible or other rates, compound interest, Capital Appreciation Subordinated Obligations, premium or original issue discount and zero interest rate bonds, provided that the average net interest cost rate (as defined in Section 215.84, Florida Statutes, as amended from time to time) on such Subordinated Obligations shall never exceed the maximum interest rate permitted by applicable law in effect at the time such Subordinated Obligations are issued, and provided further that in the event original issue discount, zero interest rate, Capital Appreciation Subordinated Obligations, or similar Subordinated Obligations are issued, only the original principal amount or discounted value of such Subordinated Obligations shall be deemed to be issued on the date of issuance for the purposes of the Authorized Amount of Subordinated Obligations authorized hereunder;

(e) the Reserve Requirement, if any, with respect to such Series of Subordinated Obligations and the amount of Reserve Fund Credit Enhancement, if any, to be deposited in or credited to the account in the applicable Subordinated Debt

Service Reserve Fund with respect to such Series of Subordinated Obligations and any other terms with respect to the funding of such Reserve Requirement;

(f) the redemption premiums and redemption terms, if any, for such Series of Subordinated Obligations or any formula for accretion upon redemption, not inconsistent with the provisions of this Indenture, which may include mandatory redemptions or purchases at the election of the Owner thereof; the amount and date of each Amortization Installment, if any, for any Term Bonds, provided that, except as may be provided in the Issuing Instrument, each Amortization Installment shall fall due on April 1 or October 1, or both, of a Fiscal Year;

(g) the form or forms of such Series of Subordinated Obligations;

(h) whether and to what extent PFC Revenues or any State and/or federal grants or other moneys and, after the Consent Effective Date, whether and to what extent any Available Revenues, will be pledged to secure and irrevocably committed to be used to pay principal of, premium, if any, and/or interest on such Series of Subordinated Obligations; and, if PFC Revenues or Available Revenues are so pledged, if and to what extent, any other Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues will be pledged to the payment of such Series of Subordinated Obligations;

(i) whether the Subordinated Obligations are Tax Exempt Bonds or Taxable Bonds;

(j) the Paying Agent (if other than the Trustee) and place or places of payment of such Subordinated Obligations;

(k) whether such Series of Subordinated Obligations will be Designated Debt and, if so, the terms of the Qualified Derivative or Hedge relating to such Designated Debt, including without limitation, whether Regularly Scheduled Hedge Payments will be paid from the applicable Debt Service Account or another source of funds; and

(l) Any other matters deemed appropriate or necessary by the Authority or the Trustee and not inconsistent with the provisions of the Bond Resolution, this Indenture and the Act.

Section 4.09. Issuance of Priority Subordinated Indebtedness. Priority Subordinated Indebtedness may be issued or incurred under and secured by this Indenture at one time or from time to time, and subject to the conditions hereinafter provided in this Section, for the purpose of financing, acquiring, constructing, improving or completing Additional Projects, for the purpose of refunding or paying any outstanding obligation of the Authority, including without limitation Subordinated Obligations, or for any other purpose for which Subordinated Indebtedness may be issued or incurred under the Act and the Bond Resolution. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest, the funding of the Reserve Requirement and the segregation of funds into separate accounts within the Priority Subordinated Debt Service Reserve Fund, or the pledge or commitment of Available Revenues,

if any, as provided in the Issuing Instrument authorizing such Series of Priority Subordinated Indebtedness or the provisions for redemption, such Priority Subordinated Indebtedness shall be secured by the Pledged Subordinated Revenues on a parity with and shall be entitled to the same benefit and security of this Indenture as all Priority Subordinated Indebtedness Outstanding from time to time under this Section 4.09 and any Other Parity Indebtedness issued as Priority Subordinated Indebtedness.

Such Priority Subordinated Indebtedness shall be executed substantially in the form (except as otherwise provided in the Issuing Instrument pursuant to which such Priority Subordinated Indebtedness is issued) and manner hereinabove set forth and (unless otherwise provided by such Issuing Instrument) shall be deposited with the Trustee for authentication, but before such Priority Subordinated Indebtedness, except for Other Parity Indebtedness, shall be authenticated and delivered, there shall be filed with the Trustee the following:

(a) a certified copy of the Resolution of the Authority authorizing the execution and delivery of the Issuing Instrument with respect to such Series of Priority Subordinated Indebtedness, authorizing the issuance of such Priority Subordinated Indebtedness, approving the terms thereof, and directing the authentication (if necessary) and delivery of such Priority Subordinated Indebtedness to or upon the direction of the purchaser named therein upon payment of the purchase price or upon such other terms therein referenced or set forth;

(b) certified copies of the Resolutions of the City Council of the City approving (i) the form of this Indenture and (ii) if required by the Act or the Operation and Use Agreement, the Issuing Instrument authorizing the issuance of such Priority Subordinated Indebtedness;

(c) an executed counterpart of this Indenture and the Issuing Instrument with respect to such Priority Subordinated Indebtedness and a certified copy of the Bond Resolution;

(d) an opinion of counsel for the Authority (or opinions of counsel to the Authority and the City) as to the due organization and valid existence of the Authority, the due authorization, execution and delivery of this Indenture, the Issuing Instrument with respect to such Series of Priority Subordinated Indebtedness, and the enforceability thereof, the due approval of such Series of Priority Subordinated Indebtedness by the City (unless such approval is not required by the Act or the Operation and Use Agreement or if the opinion is rendered by counsel to the City) and that such Series of Priority Subordinated Indebtedness constitute Subordinated Indebtedness under the Bond Resolution, and such other matters as may be reasonably required by the original purchasers of such Series of Subordinated Obligations;

(e) if such Priority Subordinated Indebtedness is being issued as Tax Exempt Bonds, an opinion of Bond Counsel that the issuance of such Priority Subordinated Indebtedness and the application of the proceeds thereof for the purpose or purposes described in the Issuing Instrument, under then-current law, the interest on

such Priority Subordinated Indebtedness will be excluded from gross income for federal income tax purposes;

(f) a certificate of an Authorized Authority Representative stating that the Authority is not in default in the payment of any amounts then due with respect to the Senior Bonds or the Subordinated Obligations then Outstanding and that all deposits required to be made as of such date into the funds and accounts under the Bond Resolution and this Indenture have been made in full;

(g) a certificate of an Authorized Authority Representative or the Airport Consultant or Airport Consultants, as the case may be, to the extent required by Section 4.10; and

(h) such other opinions, certificates and documents as counsel to the Authority, Bond Counsel or the original purchasers of such Series of Priority Subordinated Obligations shall reasonably require.

The terms and requirements for the issuance of any Other Parity Indebtedness as Priority Subordinated Indebtedness shall be set forth in the Issuing Instrument for each Series of Other Parity Indebtedness, and shall not (but may) require the delivery of any or all of the foregoing resolutions, documents or certificates.

Execution of a Series of Priority Subordinated Indebtedness by the Authority shall be conclusive evidence, upon which the Trustee may rely, of the satisfaction of the conditions precedent set forth in this Article and, as applicable, in the Issuing Instrument as to the Authority.

Section 4.10. Tests for Issuance of Priority Subordinated Indebtedness. Subject to the provisions under subsection (1), (2) or (3) of paragraph (c) of this Section and excepting Other Parity Indebtedness, as a condition to the issuance of any Series of Priority Subordinated Indebtedness and prior to a drawing to increase the Outstanding amount of any Series of Short Term Subordinated Obligations constituting Priority Subordinated Indebtedness (except for Other Parity Indebtedness) not issued or then designated by a certificate of an Authorized Authority Representative as Subordinated Program Obligations under this Indenture, there shall first be delivered to the Trustee either of the following certificates upon which the Trustee may rely:

(a) a certificate, dated as of a date between the date of pricing of the Priority Subordinated Indebtedness being issued and the date of delivery of such Priority Subordinated Indebtedness (both dates inclusive), prepared by an Authorized Authority Representative or an Airport Consultant showing the Available Net Revenues for the last audited Fiscal Year or any 12 consecutive months out of the 24-month period immediately preceding the date of issuance of the proposed Series of Priority Subordinated Indebtedness were at least equal to 110% of Aggregate Annual Subordinated Debt Service due in such 12-month period with respect to all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations and the proposed Series of Priority Subordinated Indebtedness, calculated

as if the proposed Series of Priority Subordinated Indebtedness and the full Authorized Amount of such Unissued Priority Subordinated Program Obligations (as applicable) were then Outstanding; provided, however, that for any such proposed Priority Subordinated Indebtedness being issued to refund all or a portion of a Series of Subordinated Obligations or Senior Bonds, the Subordinated Obligations or Senior Bonds to be refunded shall not be deemed to be Outstanding for purposes of such calculation; or

(b) a certificate, dated as of a date between the date of pricing of the Priority Subordinated Indebtedness being issued and the date of delivery of such Priority Subordinated Indebtedness (both dates inclusive), prepared by an Airport Consultant showing that:

- (i) the Available Net Revenues for the last audited Fiscal Year or for any 12 consecutive months out of the 24-month period immediately preceding the date of issuance of the proposed Series of Priority Subordinated Indebtedness or the establishment of a proposed Program of Priority Subordinated Indebtedness were at least equal to 110% of the Aggregate Annual Subordinated Debt Service due and payable in such period with respect to all Outstanding Priority Subordinated Indebtedness (not including the proposed Series of Priority Subordinated Indebtedness or proposed Program of Priority Subordinated Obligations);
- (ii) for the period, if any, from and including the first full Fiscal Year following the issuance of such proposed Series of Priority Subordinated Indebtedness through and including the last Fiscal Year during any part of which interest on such Series of Priority Subordinated Indebtedness is expected to be paid from the proceeds thereof, the Airport Consultant estimates that the Authority will be in compliance with Section 10.01 of this Indenture; and
- (iii) for the period from and including the first full Fiscal Year following the issuance of such proposed Series of Priority Subordinated Indebtedness through and including the later of: (A) the third full Fiscal Year following the issuance of such Series of Priority Subordinated Indebtedness, or (B) the second full Fiscal Year during which no interest on such Series of Priority Subordinated Indebtedness is expected to be paid from the proceeds thereof, the estimated Available Net Revenues for each such Fiscal Year will be at least equal to 110% of the Aggregate Annual Subordinated Debt Service for each such Fiscal Year with respect to all Priority Subordinated Indebtedness Outstanding on the date of issuance of the proposed Series of Parity Subordinated Indebtedness and Unissued Priority Subordinated Program Obligations calculated as if the proposed Series of Priority

Subordinated Indebtedness and the full Authorized Amount of such Unissued Priority Subordinated Program Obligations (as applicable) were then Outstanding; provided, however, that for any such proposed Priority Subordinated Indebtedness being issued to refund all or a portion of a Series of Subordinated Obligations or Senior Bonds, the Subordinated Obligations or Senior Bonds to be refunded shall not be deemed to be Outstanding for purposes of such calculation.

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

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

(c) Neither of the certificates described above under Section 4.10 (a) or (b) shall be required:

(1) if the Priority Subordinated Indebtedness being issued is for the purpose of refunding then Outstanding Priority Subordinated Indebtedness and there is delivered to the Trustee a certificate of an Authorized Authority Representative showing that either (x) Aggregate Annual Subordinated Debt Service after the issuance of such Refunding Subordinated Obligations will not

exceed the Aggregate Annual Subordinated Debt Service prior to the issuance of such Refunding Subordinated Obligations, for each Fiscal Year or (y) the refunding reduces the aggregate debt service payments on the Priority Subordinated Obligations Outstanding after the issuance of the Refunding Subordinated Obligations (assuming that debt service on all such Obligations is calculated in accordance with the assumptions set forth in the definition of Aggregate Annual Subordinated Debt Service) on a present value basis; or

(2) if the Priority Subordinated Indebtedness being issued constitutes Notes and there is delivered to the Trustee a certificate prepared by an Authorized Authority Representative showing that the aggregate principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Available Net Revenues for any 12 consecutive months out of the most recent 24 months immediately preceding the issuance of the proposed Notes and there is delivered to the Trustee a certificate of an Authorized Authority Representative or the Airport Consultant setting forth calculations showing that for each of the Fiscal Years during which the Notes will be Outstanding, and taking into account the debt service becoming due on such Notes, the Authority will be in compliance with Section 10.01 of this Indenture; or

(3) if the Priority Subordinated Indebtedness being issued is to pay costs of completing an Additional Project for which Priority Subordinated Indebtedness has previously been issued and the principal amount of such Priority Subordinated Indebtedness being issued for completion purposes does not exceed an amount equal to 15% of the principal amount of the Priority Subordinated Indebtedness originally issued for such Additional Project and reasonably allocable to the Additional Project to be completed as shown in a written certificate of an Authorized Authority Representative and there is delivered to the Trustee (1) a Consultant's certificate stating that the nature and purpose of such Project has not materially changed and (2) a certificate of an Authorized Authority Representative to the effect that (y) all of the proceeds (including investment earnings on amounts in the Construction Fund allocable to such Project) of the original Priority Subordinated Indebtedness issued to finance such Additional Project have been or will be used to pay Costs of Construction of the Project and (z) the then estimated Costs of Construction of the Project exceed the sum of the Costs of Construction of the Project already paid plus moneys available in the Construction Fund for the Additional Project (including unspent proceeds of Priority Subordinated Indebtedness previously issued for such purpose).

Section 4.11. Issuance of Secondary Subordinated Indebtedness. On and after the Consent Effective Date, Secondary Subordinated Indebtedness may be issued or incurred under and secured by this Indenture at one time or from time to time, and subject to the conditions hereinafter provided in this Section, for the purpose of financing, acquiring, constructing, improving or completing Additional Projects, for the purpose of refunding or paying any outstanding obligation of the Authority, including without limitation Subordinated

Obligations, or for any other purpose for which Secondary Subordinated Indebtedness may be issued or incurred under the Bond Resolution. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest, the funding of the Reserve Requirement and the segregation of funds into separate accounts within the Secondary Subordinated Debt Service Reserve Fund, or the pledge or commitment of Available Revenues, if any, as provided in the Issuing Instrument authorizing such Series of Secondary Subordinated Indebtedness or the provisions for redemption, such Secondary Subordinated Indebtedness shall be secured by the Pledged Secondary Subordinated Revenues on a parity with and shall be entitled to the same benefit and security of this Indenture as all Secondary Subordinated Indebtedness Outstanding from time to time under this Section 4.11 and any Other Parity Indebtedness issued as Secondary Subordinated Indebtedness.

Such Secondary Subordinated Indebtedness shall be executed substantially in the form (except as otherwise provided in the Issuing Instrument pursuant to which such Secondary Subordinated Indebtedness is issued) and manner set forth hereinabove and (unless otherwise provided by such Issuing Instrument) shall be deposited with the Trustee for authentication, but before such Secondary Subordinated Indebtedness, except Other Parity Indebtedness, shall be authenticated and delivered, there shall be filed with the Trustee the following:

(a) a certified copy of the resolution of the Authority authorizing the execution and delivery of the Issuing Instrument with respect to such Series of Secondary Subordinated Indebtedness, authorizing the issuance of such Secondary Subordinated Indebtedness, approving the terms thereof, and directing the authentication (if necessary) and delivery of such Secondary Subordinated Indebtedness to or upon the direction of the purchaser named therein upon payment of the purchase price or upon such other terms therein referenced or set forth;

(b) certified copies of the resolutions of the City Council of the City approving (i) the form of this Indenture and (ii) if required by the Act or the Operation and Use Agreement, the Issuing Instrument authorizing the issuance of such Secondary Subordinated Indebtedness;

(c) an executed counterpart of this Indenture and the Issuing Instrument with respect to such Secondary Subordinated Indebtedness and a certified copy of the Bond Resolution;

(d) an opinion of counsel for the Authority (or opinions of counsel to the Authority and the City) as to the due organization and valid existence of the Authority, the due authorization, execution and delivery of this Indenture, the Issuing Instrument with respect to such Series of Secondary Subordinated Indebtedness, and such Secondary Subordinated Indebtedness and the enforceability thereof, the due approval of such Series of Secondary Subordinated Indebtedness by the City (unless such opinion is rendered by counsel to the City), if required pursuant to Section 4.11(b), and that such Series of Secondary Subordinated Indebtedness constitutes Secondary Subordinated Indebtedness under the Bond Resolution, and such other matters as may be reasonably required by the original purchasers of such Series of Secondary Subordinated Indebtedness;

(e) if such Secondary Subordinated Indebtedness are being issued as Tax Exempt Bonds, an opinion of Bond Counsel that the issuance of such Secondary Subordinated Indebtedness and the application of the proceeds thereof for the purpose or purposes described in the Issuing Instrument, under then-current law, the interest on such Secondary Subordinated Indebtedness will be excluded from gross income for federal income tax purposes;

(f) a certificate of an Authorized Authority Representative stating that the Authority is not in default in the payment of any amounts then due with respect to the Senior Bonds or the Subordinated Obligations and that all deposits required to be made as of such date into the funds and accounts under the Bond Resolution and this Indenture have been made in full;

(g) a certificate of an Authorized Authority Representative or the Airport Consultant setting forth calculations showing that for each of the first two Fiscal Years during which the Secondary Subordinated Indebtedness will be Outstanding, and taking into account the debt service becoming due on such Secondary Subordinated Indebtedness, the Authority will be in compliance with Section 10.01 of this Indenture. In making such calculations, the Authorized Authority Representative or the Airport Consultant may take into account those factors set forth in Section 4.10(b) and, if such factors are relied upon, the Authorized Authority Representative or the Airport Consultant shall include a description of the assumptions used and the calculations made in determining such compliance; and

(h) such other opinions, certificates and documents as counsel to the Authority, Bond Counsel or the original purchasers of such Series of Secondary Subordinated Obligations shall reasonably require.

The terms and requirements for the issuance of any Other Parity Indebtedness as Secondary Subordinated Indebtedness shall be set forth in the Issuing Instrument for each Series of Other Parity Indebtedness, and shall not (but may) require the delivery of any or all of the foregoing resolutions, documents or certificates.

Execution of a Series of Secondary Subordinated Indebtedness by the Authority shall be conclusive evidence, upon which the Trustee may rely, of the satisfaction of the conditions precedent set forth in this Article and, as applicable, the Issuing Instrument, as to the Authority.

Section 4.12. Repayment Obligations Afforded Status of Subordinated Obligations. If a Credit Provider makes payment of principal of and interest on a Subordinated Obligation or advances funds to purchase or provide for the purchase of Subordinated Obligations, and is entitled to reimbursement thereof pursuant to a separate written agreement with the Authority, but is not reimbursed, the Authority's Repayment Obligations under such written agreement may, if and to the extent so provided in the written agreement, be afforded the status of a Subordinated Obligation issued under this Article IV, and, if afforded such status, the Credit Provider shall be the Holder and such Subordinated Obligation shall be deemed to have been issued at the time of the original Subordinated Obligation for which the Credit Facility was provided and will not be subject to the provisions of Sections 4.08 through 4.11 of this Article;

provided, however, notwithstanding the stated terms of the Repayment Obligation, for purposes of calculating Aggregate Annual Subordinated Debt Service under this Indenture, the payment terms of the Subordinated Obligation held by the Credit Provider hereunder shall be assumed to be as follows (and, unless otherwise provided in the written agreement with the Authority or the Issuing Instrument pursuant to which the Subordinated Obligations are issued, the following terms shall govern repayment of such Repayment Obligations): (a) interest shall be due and payable semiannually and (b) principal shall be due and payable not less frequently than annually and in such annual amounts as to amortize the principal amount thereof in (i) 30 years or, (ii)(A) if shorter, a term extending to the maturity date of the enhanced Subordinated Obligations or (B) if longer, the final maturity of the Repayment Obligation under the written agreement, and providing substantially level Annual Debt Service payments, the interest rate used for such computation for Tax Exempt Bonds shall be the Tax Exempt Index and for Taxable Bonds shall be the Taxable Rate Index or, if the applicable index is no longer published, another similar index selected by the Authority or, if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Subordinated Obligations of a corresponding term issued under this Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Subordinated Obligations are Tax-Exempt Bonds or Taxable Bonds and whether such Subordinated Obligations are Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness. Except as otherwise provided in an Issuing Instrument, any amount which comes due on the Repayment Obligation by its terms and which is in excess of the amount treated as principal of and interest on a Subordinated Obligation shall be Secondary Subordinated Indebtedness. This provision shall not defeat or alter the rights of subrogation which any Credit Provider may have under law or under the terms of any Issuing Instrument. Absent manifest error, the Trustee may conclusively rely on a written certification by the Credit Provider of the amount of such non-reimbursement and that such Repayment Obligation is to be afforded the status of a Subordinated Obligation under this Indenture.

Section 4.13. Obligations Under Qualified Derivative.

(a) The obligation of the Authority to make Regularly Scheduled Hedge Payments under a Qualified Derivative with respect to a Series of Subordinated Obligations may, if so designated by an Issuing Instrument, constitute Subordinate Obligations payable on a parity with the obligation of the Authority to make payments with respect to such Series of Subordinated Obligations and other Subordinated Obligations of the same lien under this Indenture. The Authority may provide in any Issuing Instrument that Regularly Scheduled Hedge Payments under a Qualified Derivative shall constitute a Subordinated Obligation and shall be secured by a pledge of or lien on Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, on a parity with the Subordinated Obligations of such Series and all other Subordinated Obligations of the same lien, regardless of the principal amount, if any, of the Subordinated Obligations of such Series remaining Outstanding. The Trustee shall take all action consistent with the other provisions hereof as shall be requested in writing by the Qualified Derivative Provider necessary to preserve and protect such pledge, lien and assignment and to enforce the obligations of the Authority with respect thereto. In the event the action required to be taken pursuant to the preceding sentence shall require the Trustee either to exercise the remedies granted in this Indenture or to institute any action, suit or proceeding in its

own name, the Qualified Derivative Provider shall provide to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred in connection therewith.

(b) In the event that a Hedge Termination Payment or any other amounts other than as described in clause (a) above are due and payable by the Authority under a Qualified Derivative or a Hedge, such Hedge Termination Payment and any such other amounts shall, unless otherwise provided in an Issuing Instrument, constitute Secondary Subordinated Indebtedness of the Authority payable after its obligations to fund the Senior Bonds and the Priority Subordinated Indebtedness.

ARTICLE V REDEMPTION OF BONDS

Section 5.01. Redemption of Bonds. Any Subordinated Bonds issued pursuant hereto may be redeemable prior to their stated dates of maturity at such price or prices and under such terms and conditions as shall be provided in the Issuing Instrument which authorizes the issuance of such Subordinated Bonds.

Section 5.02. Method of Selecting Obligations in Case of Partial Redemption. If less than all of the Subordinated Bonds of a Series Outstanding hereunder are to be redeemed, unless otherwise provided herein or by Issuing Instrument, the Series and maturities of Subordinated Bonds to be redeemed shall be designated by the Authority. If less than all of the Subordinated Bonds of like Series and maturity shall be called for redemption, the particular Subordinated Bonds or portions of Subordinated Bonds to be redeemed shall be selected by the Trustee by lot; provided, however, that any Subordinated Bond of a denomination in excess of the minimum authorized denomination for such Series shall be treated as representing that number of Subordinated Bonds of such Series which is determined by dividing the principal amount of such Subordinated Bond by the minimum authorized denomination of such Series; and provided, further, that if the Subordinated Bonds are Tender Indebtedness or are otherwise subject to a tender for purchase, the Authority may by notice to the Trustee designate specific Series and maturities of such Tender Indebtedness, or portions thereof, that will be subject to purchase pursuant to a tender and the Trustee will thereafter select for redemption, by lot, the remaining portions of the Subordinated Bonds Outstanding and not subject to purchase pursuant to such tender.

ARTICLE VI REQUIREMENTS FOR REDEMPTION OF BONDS

Section 6.01. Notice of Redemption. Unless otherwise provided with respect to any Series of Subordinated Bonds by the Issuing Instrument authorizing such Series of Subordinated Bonds, notice of redemption for each Series of Subordinated Bonds shall be given by the Trustee following receipt of written notice from the Authority contained the information required by this Article VI by filing a notice of such redemption with EMMA, not more than sixty (60) and not less than thirty (30) days prior to the redemption date, and by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty (30) and not more than sixty (60) days before the redemption date to the registered owner of each Subordinated Bond or portion of Subordinated Bonds to be redeemed at their addresses as they appear on the

registration books to be maintained in accordance with provisions hereof. Failure to give such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Subordinated Bond or portion thereof with respect to which no such failure or defect has occurred.

Each notice shall set forth the date fixed for redemption for each Subordinated Bond being redeemed, the rate of interest borne by each Subordinated Bond being redeemed, the redemption price to be paid, the date of filing with EMMA of a notice of redemption, the name and address of the Bond Registrar, and, if less than all of the Subordinated Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, including CUSIP numbers, if any, of such Subordinated Bonds to be redeemed and, in the case of Subordinated Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Subordinated Bond is to be redeemed in part only, the notice of redemption which relates to such Subordinated Bond shall also state that on or after the redemption date, upon surrender of such Subordinated Bond, a new Subordinated Bond or Subordinated Bonds of the same Series, form, terms, maturity and rate in a principal amount equal to the unredeemed portion of such Subordinated Bond will be issued.

Any notice of redemption may state that the redemption contemplated therein is conditioned upon the occurrence of certain events or circumstances described therein, in which case the Authority will not be obligated to redeem such obligations unless the events therein described have occurred.

Any notice mailed as provided in this section shall be conclusively presumed to have been duly given, whether or not the owner of such Subordinated Bond receives such notice.

Upon the payment of the redemption price of Subordinated Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Subordinated Bonds being redeemed with the proceeds of such check or other transfer.

Section 6.02. Effect of Notice of Redemption. Notice having been given in the manner and under the conditions hereinabove provided, and upon the occurrence of events or circumstances, if any, described therein upon which such redemption has been conditioned pursuant to Section 6.01 above, the Subordinated Bonds or portions of Subordinated Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Subordinated Bonds or portions of Subordinated Bonds on such date. On the date so designated for redemption, amounts (which shall include cash and Permitted Investments maturing or redeemable on the applicable Redemption Date) for payment of the redemption price being held in separate accounts by the Trustee in trust for the holders of the Subordinated Bonds or portions thereof to be redeemed, all as provided in this Indenture, interest on the Subordinated Bonds or portions of Subordinated Bonds so called for redemption shall cease to accrue, such Subordinated Bonds and portions of Subordinated Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and the Holders of such Subordinated Bonds or portions of Subordinated Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof

and, to the extent provided in Section 6.03 of this Article, to receive Subordinated Bonds for any unredeemed portions of the Subordinated Bonds.

Section 6.03. Redemption of Portion of Subordinated Bonds. In case part but not all of an Outstanding Subordinated Bond shall be selected for redemption, the Holder thereof shall present and surrender such Subordinated Obligation to the Trustee for payment of the principal amount thereof so called for redemption, and the Trustee shall note on the reverse side thereof the date of such redemption and the principal amount of the Subordinated Bond so redeemed, or at the option of the Holder of such Subordinated Bond, the Authority shall execute and the Trustee shall authenticate and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed balance of the principal amount of the Subordinated Bond so surrendered, a Subordinated Bond or Subordinated Bonds of the same Series, form, terms, maturity and rate.

Section 6.04. Cancellation of Redeemed Subordinated Bonds. All Subordinated Bonds redeemed or purchased by the Trustee under the terms of this Indenture, and all Subordinated Bonds delivered to the Trustee by the Authority for cancellation, shall be cancelled by the Trustee upon the surrender thereof; provided, however, that Tender Indebtedness and Subordinated Bonds otherwise subject to a tender for purchase by the Authority may, at the written direction of the Authority to the Trustee, either remain Outstanding under this Indenture or be cancelled.

Section 6.05. Subordinated Bonds Called for Redemption Not Deemed Outstanding. Subordinated Bonds or portions of Subordinated Bonds that have been duly called for redemption under the provisions of this Article VI, or with respect to which irrevocable written instructions from the Authority have been given to the Trustee to call such Subordinated Bonds for redemption, and with respect to which amounts (which shall include cash and Permitted Investments maturing or redeemable on the Redemption Date) sufficient to pay the principal of and interest to the date fixed for redemption, shall be delivered to and held in separate accounts by the Trustee, in trust for the Holders of the Subordinated Bonds or portion thereof to be redeemed, as provided in this Indenture, shall not be deemed to be Outstanding under the provisions of this Indenture and shall cease to be entitled to any lien, benefit or security under this Indenture, except to receive the payment of the redemption price on or after the designated date of redemption from moneys deposited with or held by the Trustee for such redemption of the Subordinated Bonds and, to the extent provided in Section 6.03 of this Article, to receive Subordinated Bonds for any unredeemed portions of the Subordinated Bonds.

ARTICLE VII CONSTRUCTION FUND

Section 7.01. Creation. A special fund is hereby created by the Authority and designated "Airport Facilities Subordinated Obligation Construction Fund" (herein sometimes called the "**Construction Fund**"), to the credit of which such deposits shall be made as are required by the provisions of any Issuing Instrument adopted pursuant to Section 4.08 of this Indenture. A special account is hereby created by the Authority within the Construction Fund designated the "Subordinated Obligation Costs of Issuance Account" (herein sometimes called the "**Costs of Issuance Account**"), to the credit of which such deposits shall be made as

are required by the provisions of any Issuing Instrument adopted pursuant to Section 4.08 of this Indenture. The Construction Fund and any separate accounts and subaccounts created therein shall be held by the Trustee. A separate account in the Construction Fund may be established for each Series of Subordinated Obligations issued hereunder pursuant to the Issuing Instrument therefor, and such subaccounts therein as may be designated by an Issuing Instrument. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Bond Resolution, this Indenture or any Issuing Instrument and there may be paid into the Construction Fund, at the option of the Authority, any moneys received for or in connection with the Airport System by the Authority from any other source, unless required to be otherwise applied as provided by the Bond Resolution or this Indenture.

During the period of construction, the proceeds of insurance maintained pursuant to the Bond Resolution against physical loss of or damage to any Additional Project or of contractors' performance bonds with respect thereto, pertaining to the period of construction thereof shall, unless otherwise required by the Bond Resolution, be paid into the appropriate separate account in the Construction Fund.

The moneys in each account in the Construction Fund shall be held by the Trustee in trust and shall be applied, at the written direction of the Authority in accordance with Section 7.02 of this Indenture to the payment of the Cost of Construction of the Additional Projects with respect to which such Subordinated Obligations were issued or to pay the costs of issuing such Subordinated Obligations and, pending such application, shall be subject to a lien and charge in favor of the Trustee for the further security of the owners of the Series of Subordinated Obligations from which such proceeds were derived until paid out or transferred as herein provided. Capitalized Interest, if any, deposited in an account in the Construction Fund and any income and profits derived therefrom shall be transferred, to the extent necessary, to the applicable Debt Service Account to pay interest on the Series of Subordinated Obligations with respect to which such deposit was made. Any moneys on deposit in such account with respect to a Series of Subordinated Obligations not needed to pay interest on such Series of Subordinated Obligations pursuant to the preceding sentence may be used in the same manner as any other moneys on deposit in the applicable account in the Construction Fund. Except as otherwise expressly provided in this Section 7.01, all income and profits earned from the investment of funds held in the Construction Fund shall be retained in the applicable account within Construction Fund and expended as set forth in this Article VII.

Any funds on deposit in the Construction Fund that in the opinion of the Authority, upon which opinion the Trustee may rely, are not immediately necessary for expenditure, as herein provided, may, subject to Article IX hereof, be invested in Permitted Investments, provided that such investments mature or are redeemable on or before the date such funds are estimated by the Authority to be needed for the purposes hereof.

Section 7.02. Payments from Construction Fund. Before any application of any amounts in the Construction Fund shall be made, the Authority shall file with the Trustee a requisition, signed by an Authorized Authority Representative, showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid, and stating that the obligation to be paid was incurred and is a proper charge against the Construction Fund. Each such requisition shall be sufficient evidence to the Trustee:

(a) that obligations in the stated amounts have been incurred by the Authority and that each item thereof is a proper charge against the Construction Fund;

(b) that there has not been filed with or served upon the Authority notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law; and

(c) Where appropriate, each such certificate shall be accompanied by invoices, statements or bills showing amounts due and payable.

To the extent that other moneys are not available therefor in any other fund, amounts in the Construction Fund shall be applied to the payment of the principal of and interest on Subordinated Obligations when due, unless the Authority provides the Trustee with prior written notice that such use would cause interest on Subordinated Obligations (other than Subordinated Obligations issued as Taxable Bonds) not to be excluded from gross income for federal income tax purposes, in which event such excess proceeds shall be applied as directed by the Authority in writing.

Section 7.03. Establishment of Completion Dates. The Authority shall diligently pursue construction of an Additional Project to completion once commenced. The completion of construction of any Additional Project shall be evidenced by a certificate of the Consulting Engineers, which shall be filed promptly with the Trustee, stating the date of such completion and the amount, if any, required in the opinion of the signer for the payment of any remaining part of the Cost of Construction of such Additional Project, and that such Additional Project has been completed substantially in accordance with the plans and specifications applicable thereto. Upon the filing of such certificate, the balance in the separate account in the Construction Fund allocable to such Additional Project in excess of the amount, if any, stated in such certificate shall be deposited in the applicable account in the Subordinated Debt Service Reserve Fund, if and to the extent necessary to make the amount in such account equal to the Reserve Requirement applicable to the Series of Subordinated Obligations issued to finance such Project. Any balance, shall be (i) transferred by the Trustee for deposit in the applicable Subordinated Debt Service Fund and applied by the Trustee to the retirement of the same lien of Subordinated Obligations by purchase or redemption or (ii) shall be used to pay for costs of improvements to the Airport System, as the Authority shall direct.

Section 7.04. Reliance on Certificates. All statements, orders, certificates and other approvals received by the Trustee, as required in this Article as conditions of payment from the Construction Fund, may be relied upon by the Trustee, and shall be retained by the Trustee, subject at all reasonable times to examination by the Authority, any Bondholder and the agents and representatives thereof, during the term of this Indenture.

**ARTICLE VIII
REVENUES, FUNDS AND ACCOUNTS**

Section 8.01. Creation of Funds and Accounts; Pledge of Pledged Subordinated Revenues. There are hereby created by the Authority with the Trustee the "Airport Facilities Subordinated Obligations Revenue Fund" (the "**Subordinated Revenue Fund**"), the "Airport Facilities Priority Subordinated Indebtedness Debt Service Fund" (the "**Priority Subordinated Debt Service Fund**"), the "Airport Facilities Priority Subordinated Indebtedness Debt Service Reserve Fund" (the "**Priority Subordinated Debt Service Reserve Fund**"), the "Airport Facilities Secondary Subordinated Indebtedness Debt Service Fund" (the "**Secondary Subordinated Debt Service Fund**") and, with the Priority Subordinated Debt Service Fund, the "**Subordinated Debt Service Funds**" and each a "**Subordinated Debt Service Fund**", the "Airport Facilities Secondary Subordinated Indebtedness Debt Service Reserve Fund" (the "**Secondary Subordinated Debt Service Reserve Fund**") and, with the Priority Subordinated Debt Service Reserve Fund, the "**Subordinated Debt Service Reserve Funds**" and each a "**Subordinated Debt Service Reserve Fund**", and, upon the issuance of Subordinated Obligations that are Tax Exempt Bonds to the extent such Subordinated Obligations are subject to arbitrage rebate requirements under the Code, the "Airport Facilities Subordinated Obligations Rebate Fund" (the "**Rebate Fund**"). Upon issuance of each Series of Subordinated Obligations under this Indenture (including without limitation, Line of Credit Indebtedness), a separate debt service account (each, a "**Debt Service Account**") may be established within the applicable Subordinated Debt Service Fund for such Series pursuant to the Issuing Instrument pursuant to which each such Subordinated Obligation was issued.

There is hereby created within the Priority Subordinated Debt Service Reserve Fund a separate Pooled Subordinated Reserve Account (sometimes referred to herein as the "**Pooled Subordinated Reserve Account**") that may secure one or more Series of Priority Subordinated Obligations pursuant to an Issuing Instrument for such Series of Priority Subordinated Indebtedness. The amount on deposit in the Pooled Subordinated Reserve Account immediately after the authentication and delivery of any Series of Priority Subordinated Indebtedness secured thereby shall be at least equal to the Pooled Subordinated Reserve Account Requirement. Notwithstanding the provisions of the second paragraph of Section 8.05 of this Indenture, the amount on deposit in the Pooled Subordinated Reserve Account immediately after the issuance of any Series of Priority Subordinated Indebtedness secured by such Pooled Subordinated Reserve Account shall be increased to equal the amount of the Pooled Subordinated Reserve Account Requirement, taking into account the issuance of such Series of Priority Subordinated Indebtedness.

In lieu of the foregoing, there may be created within each Subordinated Debt Service Reserve Fund by the Issuing Instrument authorizing a Series of Subordinated Obligations a separate account for each Series of Subordinated Obligations issued under this Indenture; provided that (i) the Authority may elect in an Issuing Instrument that any then-existing account within the applicable Subordinated Debt Service Reserve Fund shall secure such additional Series of Subordinated Obligations on a parity basis (if permitted by the Issuing Instrument which established such account), provided, further, that no such account within the Priority Subordinated Debt Service Reserve Fund may secure a Series of Secondary Subordinated Indebtedness and no such account with the Secondary Subordinated Debt Service Reserve Fund

may secure a Series of Priority Subordinated Indebtedness; and (ii) with respect to any Series of Subordinated Obligations, the Authority may elect in an Issuing Instrument that such Series shall not be secured by any account in a Subordinated Debt Service Reserve Fund and, accordingly, not to establish any account in a Subordinated Debt Service Reserve Fund to secure such Series of Subordinated Obligations. Any Issuing Instrument providing for the issuance of a Series of Subordinated Obligations which establishes a separate account within a Subordinated Debt Service Reserve Fund shall specify (a) whether such account shall secure only such Series of Subordinated Obligations or may secure additional Series of Subordinated Obligations of the same lien and (b) the Reserve Requirement applicable to such account.

The Pledged Subordinated Revenues are hereby pledged as security for the Priority Subordinated Indebtedness issued hereunder in the manner and to the extent provided in the Issuing Instrument for each Series of Priority Subordinated Indebtedness issued hereunder, and the moneys in each of the Priority Subordinated Debt Service Fund and the Priority Subordinated Debt Service Reserve Fund established for the Priority Subordinated Indebtedness shall be held by the Trustee in trust and applied as hereinafter provided with respect to each said fund or account and, pending such application, shall (except for the Rebate Fund and accounts in the Construction Fund and the Subordinated Priority Reserve Fund pertaining to specific Series of Priority Subordinated Indebtedness) be subject to a lien and charge in favor of the Holders of all Priority Subordinated Indebtedness issued and Outstanding under this Indenture and for the further security of such Holders until paid out or transferred, all to the extent herein provided, provided, however, that PFC Revenue or Available Revenues pledged to one or more Series of Priority Subordinated Indebtedness shall secure only such designated Series.

The Pledged Secondary Subordinated Revenues are hereby pledged as security for the Secondary Subordinated Indebtedness issued hereunder in the manner and to the extent provided in the Issuing Instrument for each Series of Secondary Subordinated Indebtedness issued hereunder, and the moneys in each of the Secondary Subordinated Debt Service Fund and the Secondary Subordinated Debt Service Reserve Fund established for the Secondary Subordinated Indebtedness shall be held by the Trustee in trust and applied as hereinafter provided with respect to each said fund or account and, pending such application, shall (except for the Rebate Fund and accounts in the Construction Fund or the Secondary Subordinated Debt Service Reserve Fund pertaining to specific Series of Secondary Subordinated Obligations) be subject to a lien and charge in favor of the Holders of all Secondary Subordinated Indebtedness issued and Outstanding under this Indenture and for the further security of such Holders until paid out or transferred, all to the extent herein provided; provided, however, that PFC Revenue or Available Revenues pledged to one or more Series of Secondary Subordinated Indebtedness shall secure only such designated Series.

The moneys in each fund and account created hereunder shall at all times be kept separate and distinct from all other moneys of the Authority and used and applied only as herein provided.

As herein contemplated, the lien on and pledge of the Pledged Subordinated Revenues for the benefit of the Priority Subordinated Indebtedness shall be subordinate in all respects to the pledge created by the Bond Resolution securing the Senior Bonds, and the lien on the Pledged Secondary Subordinated Revenues for the benefit of the Secondary Subordinated Indebtedness

A-24

shall be subordinate in all respects to the pledge created by the Bond Resolution securing the Senior Bonds and the pledge of the Pledged Subordinated Revenues created by this Indenture securing Priority Subordinated Indebtedness.

Section 8.02. Subordinated Revenue Fund. Commencing immediately following the issuance of the first Series of Subordinated Obligations hereunder, and periodically thereafter upon receipt, the Authority shall deposit or cause to be deposited into the Subordinated Revenue Fund sufficient Pledged Subordinated Revenues to make the deposits described below; provided, however, that the Authority may elect to deposit funds from sources other than the Pledged Subordinated Revenues that are available to the Authority to the applicable Debt Service Accounts. The moneys in the Subordinated Revenue Fund shall be disposed of in the following order and priority on or before the 15th day of each month commencing in the month immediately following the issuance of the first Subordinated Obligations hereunder:

The Authority shall deposit or cause to be deposited into the Subordinated Revenue Fund sufficient Pledged Subordinated Revenues to make the deposits described in (a) and (b) below:

(a) First, into the Priority Subordinated Debt Service Fund and then pro rata by deposit into the Debt Service Account for each Series of Priority Subordinated Indebtedness an amount which, together with other amounts deposited therein as described below, will equal (i) one-sixth (1/6th) of the interest maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments on the Priority Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," due on the next semiannual interest payment date with respect to Priority Subordinated Indebtedness that bears interest payable semiannually, (ii) the amount of interest next maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments on the Priority Subordinated Indebtedness or, the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Schedule Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," due on Priority Subordinated Indebtedness that bear interest payable monthly and the amount of interest accruing in such month on Priority Subordinated Indebtedness that bears interest payable on other than a monthly or semiannual basis (other than Capital Appreciation Subordinated Obligations), (iii) one-twelfth (1/12th) of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable during the current Fiscal Year on the various Series of Priority Subordinated Indebtedness that are Serial Bonds that mature annually, and one-sixth (1/6th) of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable on the next maturity date in such Fiscal Year on the various Series of Priority Subordinated Indebtedness that are Serial Bonds that mature semiannually, and (iv) one-twelfth (1/12th) of the sum of Amortization Installments and the unamortized principal balances of the Term Bonds coming due in the current Fiscal Year plus, with respect to Capital Appreciation Subordinated Obligations, accreted interest, and any redemption premium payable with respect thereto, coming due during the current Fiscal

Year with respect to any Series of Priority Subordinated Indebtedness that are Term Bonds, until there are sufficient funds then on deposit in the Debt Service Account for each Series of Priority Subordinated Indebtedness equal to the principal, interest, redemption payments and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) due on the Priority Subordinated Indebtedness on the next principal, interest and redemption dates, respectively, in such Fiscal Year.

Deposits shall be increased or decreased to the extent required to pay principal, premium, if any, interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) on the Priority Subordinated Indebtedness coming due, after making allowance for any Capitalized Interest and taking into account deficiencies in prior months' deposits. Additionally, unless the Authority shall establish a different procedure for the payment or deposit of monthly interest on Variable Rate Indebtedness, there shall be deposited into the applicable Debt Service Account in lieu of the monthly interest deposit described above, the interest accruing on such Priority Subordinated Indebtedness for such month (plus any deficiencies in interest deposits for the preceding month), assuming the interest rate thereon on the 15th day of such month will continue through the end of such month. On or before each interest payment date, the Authority shall make up any deficiencies in such interest deposit based on the actual interest accruing through such date.

Notwithstanding the foregoing deposit requirements, for any interest period of less than six (6) months, the Authority shall make monthly deposits into the applicable Debt Service Account in amounts that will be sufficient to amortize interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) next coming due on the Priority Subordinated Indebtedness on the next interest payment date in substantially equal monthly installments.

(b) Next, by deposit pro rata to the appropriate accounts in the Priority Subordinated Debt Service Reserve Fund with respect to each Series of Priority Subordinated Indebtedness designated by an Issuing Instrument to be secured by an account therein, until the amounts in such account equal the Reserve Requirement (if any) for each applicable Series of Priority Subordinated Indebtedness, or the portion thereof that is required as of such date to be funded if the Authority has elected to fund the Reserve Requirement in installments pursuant to the terms of Section 8.05.

On and after the Consent Effective Date, from Pledged Secondary Subordinated Revenues available pursuant to paragraphs (7) and (8) of Section 405(1) of the Bond Resolution, the Authority shall deposit or cause to be deposited into the Subordinated Revenue Fund sufficient Pledged Secondary Subordinated Revenues to make the deposits in paragraphs (c) and (d) below.

(c) Into the Secondary Subordinated Debt Service Fund and then pro rata by deposit into the Debt Service Account for each Series of Secondary Subordinated Indebtedness an amount which, together with other amounts deposited therein as described below, will equal (i) one-sixth (1/6th) of the interest maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge

Payments due on the Secondary Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," on the next semiannual interest payment date with respect to Secondary Subordinated Indebtedness that bears interest payable semiannually, (ii) the amount of interest next maturing plus, to the extent provided in the applicable Issuing Instrument, any Regularly Scheduled Hedge Payments due on Secondary Subordinated Indebtedness that bears interest payable monthly and the amount of interest accruing in such month on Secondary Subordinated Indebtedness or, if the Issuing Instrument provides for a net deposit, the amount of interest and Regularly Scheduled Hedge Payments calculated in accordance with clause (8) of the definition of "Aggregate Annual Subordinated Debt Service," that bears interest payable on other than a monthly or semiannual basis (other than Capital Appreciation Subordinated Obligations), (iii) one-twelfth (1/12th) of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable during the current Fiscal Year on the various Series of Secondary Subordinated Indebtedness that are Serial Bonds that mature annually, and one-sixth (1/6th) of all principal and, with respect to Capital Appreciation Subordinated Obligations, principal and accreted interest, maturing or becoming payable on the next maturity date in such Fiscal Year on the various Series of Secondary Subordinated Indebtedness that are Serial Bonds that mature semiannually, and (iv) one-twelfth (1/12th) of the sum of Amortization Installments and the unamortized principal balances of the Secondary Subordinated Indebtedness that are Term Bonds coming due in the current Fiscal Year plus, with respect to Capital Appreciation Subordinated Obligations, accreted interest, and any redemption premium payable with respect thereto, coming due during the current Fiscal Year with respect to the various Series of Secondary Subordinated Indebtedness that are Term Bonds, until there are sufficient funds then on deposit in the Debt Service Account for each Series of Secondary Subordinated Indebtedness equal to the principal, interest, redemption, Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) due on the Secondary Subordinated Indebtedness on the next principal, interest and redemption dates, respectively, in such Fiscal Year.

Deposits shall be increased or decreased to the extent required to pay principal, premium, if any, interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) on the Secondary Subordinated Indebtedness coming due, after making allowance for any Capitalized Interest and taking into account deficiencies in prior months' deposits. Additionally, unless the Authority shall establish a different procedure for the payment or deposit of monthly interest on Variable Rate Indebtedness, there shall be deposited into the applicable Debt Service Account in lieu of the monthly interest deposit described above, the interest accruing on such Secondary Subordinated Indebtedness for such month (plus any deficiencies in interest deposits for the preceding month), assuming the interest rate thereon on the 15th day of such month will continue through the end of such month. On or before each interest payment date, the Authority shall make up any deficiencies in such interest deposit based on the actual interest accruing through such date.

Notwithstanding the foregoing deposit requirements, for any interest period of less than six (6) months, the Authority shall make monthly deposits into the applicable Debt Service Account in amounts that will be sufficient to amortize interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) next coming due on the Secondary Subordinated Indebtedness on the next interest payment date in substantially equal monthly installments.

(d) Next, by deposit pro rata to the appropriate accounts in the Secondary Subordinated Debt Service Reserve Fund with respect to each series of Secondary Subordinated Indebtedness designated by an Issuing Instrument to be secured by an account therein, until the amounts in such account equal the Reserve Requirement (if any) for each applicable Series of Secondary Subordinated Indebtedness or the portion thereof that is required as of such date to be funded if the Authority has elected to fund the Reserve Requirement in installments pursuant to the terms of Section 8.05.

(e) The balance of funds remaining in the Subordinated Revenue Fund, if any, after provision for the amounts described in clauses (a) through (d) above have been made (other than accrued interest), shall be transferred to the Trustee for deposit in the Discretionary Fund and applied in accordance with the Bond Resolution. Any Hedge Termination Payment due or coming due with respect to a Series of Subordinated Obligations shall be made only from available funds on deposit in the Discretionary Fund.

Section 8.03. Provisions for Payment of Subordinated Obligations from Debt Service Accounts. The Trustee shall, on each payment date, withdraw from the applicable Debt Service Accounts and remit to the owners of the Subordinated Obligations and each Hedge Provider the amounts required for paying the interest or Hedge payment, principal and any other amounts due on such Subordinated Obligations and any Hedges applicable thereto as such payments become due and payable; provided, however, that if such payments, or a portion thereof, have been made on behalf of the Authority by a Bond Insurer or by the issuer of a Credit Facility, or another entity insuring, guaranteeing or providing for the payment of the Subordinated Obligations or any Series thereof, moneys on deposit in the applicable Debt Service Account and allocable to such Series shall be paid to such Bond Insurer or the issuer of such Credit Facility or entity having theretofore made a corresponding payment. All Hedge Termination Payments shall be paid only from funds on deposit in the Secondary Subordinated Debt Service Fund after provision for payment of principal of, premium, if any, and interest due on the Secondary Subordinated Indebtedness. At the maturity date of each Subordinated Obligation and at the due date of each Amortization Installment and installment of interest on each Subordinated Obligation, the Trustee shall set aside within the applicable Debt Service Account as provided in Section 8.04 below sufficient moneys to pay all principal of and interest and redemption premium, if any, then due and payable with respect to each such Subordinated Obligation. Moneys so set aside shall not thereafter be invested in any manner but shall be held by the Trustee without liability on the part of the Trustee or the Authority for interest thereon until actually paid out for the purposes intended. Interest accruing with respect to any fully registered Subordinated Obligation (other than a Capital Appreciation Subordinated Obligation) shall be paid by wire transfer or by check or draft of the Paying Agent to the Owner thereof, as described in the form of the Subordinated Obligation.

Section 8.04. Application of Moneys for Amortization Installments.

Moneys held for the credit of each Debt Service Account in the Subordinated Debt Service Funds for Amortization Installments shall with reasonable diligence be applied to the retirement of Subordinated Obligations of the applicable Series issued under the provisions of this Indenture and then Outstanding in the following order:

(a) The Trustee shall first, upon receipt of written direction of the Authority, purchase Outstanding Term Bonds redeemable from Amortization Installments during such Fiscal Year, and pro rata (based upon the principal amount of the Amortization Installments due in such Fiscal Year for each such Series of Term Bonds) among all such Subordinated Obligations if more than one Series of such Term Bonds are Outstanding. If no such Subordinated Obligations are Outstanding, the Trustee shall, upon receipt of written direction from the Authority, purchase Serial Bonds, whether or not such Subordinated Obligations are then subject to redemption. The Trustee shall purchase Subordinated Obligations hereunder only to the extent moneys are available therefor, at a price approved by the Authority, not to exceed the principal of such Subordinated Obligations plus accrued interest, or the Accreted Value, as the case may be. The Trustee shall pay the interest accrued on such Subordinated Obligations or portions of Subordinated Obligations to the date of redemption thereof, the purchase price, and all expenses in connection with such purchase from moneys deposited for that purpose in the applicable Debt Service Account for such Series in the Subordinated Debt Service Fund, but no such purchase shall be made by the Trustee within the period of thirty (30) days next preceding any interest payment date on which such Subordinated Obligations are subject to call for redemption under the provisions of this Indenture.

(b) To the extent moneys held for payment of Amortization Installments on a Series of Subordinated Obligations remain on deposit in the applicable Debt Service Account in the applicable Subordinated Debt Service Fund, the Trustee shall call for redemption on each interest payment date on which such Subordinated Obligations are subject to redemption from moneys in such account in the applicable Subordinated Debt Service Fund such amount of Term Bonds of such Series then subject to redemption or, if no such Term Bonds are Outstanding and subject to redemption, Serial Bonds of such Series then subject to redemption as will as nearly as possible exhaust the money then held for payment of Amortization Installments or in the applicable Debt Service Account for such Series in the applicable Subordinated Debt Service Fund. Such redemption shall be made pursuant to the provisions of Articles V and VI of this Indenture. On the redemption date, the Trustee shall withdraw from the applicable Debt Service Account in the Subordinated Debt Service Fund the respective amounts required for paying the interest on, the principal of, and the redemption premium, if any, with respect to such Subordinated Obligations or portions of Subordinated Obligations so called for redemption, and shall pay from moneys deposited with it in the applicable Debt Service Account in the Subordinated Debt Service Fund all expenses in connection with such redemption.

(c) If a Series of Subordinated Obligations shall not then be subject to redemption and if the Trustee shall at any time be unable to exhaust the moneys in the

purchase of such Subordinated Obligations under the provisions of paragraphs (a) and (b) of this Section, such moneys or the balance of such moneys, as the case may be, shall be retained in the applicable Debt Service Account for such Series in the Subordinated Debt Service Fund and, as soon as it is feasible, applied to the retirement of such Subordinated Obligations.

(d) Notwithstanding the foregoing, no funds held for payment of an Amortization Installment in a Debt Service Account shall be used to purchase or redeem Subordinated Obligations of a Series until all Term Bonds of such Series required to be redeemed pursuant to the Amortization Installments for that Fiscal Year are redeemed. If Term Bonds of a Series are purchased or redeemed pursuant to this section in excess of the Amortization Installments for such Series for such Fiscal Year, such excess principal amount of such Term Bonds so purchased or redeemed shall be credited against subsequent Amortization Installments in subsequent years, in such order as the Authority may designate to the Trustee in writing.

Section 8.05. Application of Moneys in the Subordinated Debt Service Reserve Funds. Funds, or a Reserve Fund Credit Enhancement, on deposit in a Subordinated Debt Service Reserve Fund with respect to any Series of Subordinated Obligations shall be set aside in a separate account therein for such Series and may be used only for the purpose of curing deficiencies in the applicable Debt Service Account within the applicable Subordinated Debt Service Fund with respect to such Series and for no other purpose and moneys held in each account of the Subordinated Debt Service Reserve Funds shall be pledged solely to and shall only secure the payment of the Subordinated Obligations secured by such account in the applicable Subordinated Debt Service Fund. If funds (other than accrued interest) on deposit in the applicable account in the Subordinated Debt Service Reserve Fund for one or more Series of Subordinated Obligations exceed, in the aggregate, the Reserve Requirement with respect to such Series, the excess funds shall be transferred by the Trustee to the Discretionary Fund and applied in accordance with the Bond Resolution.

Notwithstanding anything herein to the contrary, the Authority shall not be required to fully fund an account in the Subordinated Debt Service Reserve Funds at the time of issuance of a Series of Subordinated Obligations hereunder, if it elects, by the Issuing Instrument authorizing issuance of such Series of Subordinated Obligations, to fully fund the applicable account in the Subordinated Debt Service Reserve Fund over a period specified in such Issuing Instrument, not to exceed sixty (60) months, commencing with the next succeeding Fiscal Year of the Authority, during which it shall make substantially equal monthly installments in order that the amounts on deposit therein at the end of such period shall equal the Reserve Requirement for such Series of Subordinated Obligations.

Upon the issuance of a Series of Subordinated Obligations, in lieu of making a cash deposit to the applicable account in the Subordinated Debt Service Reserve Funds, if authorized by the Issuing Instrument, the Authority may deliver to the Trustee a Reserve Fund Credit Enhancement in an amount which, together with moneys, securities or other Reserve Fund Credit Enhancements on deposit in or credited to the applicable account in the Subordinated Debt Service Reserve Fund securing such Subordinated Obligations, equals or exceeds the Reserve Requirement with respect thereto on the following terms and conditions:

(1) All such Reserve Fund Credit Enhancements (i) will name the Trustee as beneficiary or insured, (ii) will have a term of not less than the maturity of such Subordinated Obligations for which such Reserve Fund Credit Enhancement was issued, (iii) will provide by its terms that it may be drawn upon to make up any deficiencies in the applicable Debt Service Account on the due date of any interest or principal payment or mandatory sinking fund redemption applicable to the Subordinated Obligations with respect to which such Reserve Fund Credit Enhancement was issued, and (iv) will meet such other requirements for the Reserve Fund Credit Enhancement and the Reserve Product Provider as may be prescribed in the Issuing Instrument applicable to such Series.

(2) The obligation to reimburse the Reserve Product Provider for any fees or expenses thereon shall be subordinate to the payment of debt service on the Subordinated Obligations of the same lien as the Series secured by such Reserve Fund Credit Enhancement and replenishment of the applicable Subordinated Debt Service Reserve Fund. The Reserve Product Provider's right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the applicable Subordinated Debt Service Reserve Fund provided that the Reserve Fund Credit Enhancement shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the Reserve Product Provider to reimbursement will be further subordinated to cash replenishment of the applicable account within the Subordinated Debt Service Reserve Fund to an amount equal to the difference between the full original amount available under the Reserve Fund Credit Enhancement and the amount then available for further draws or claims.

(3) If the Authority chooses to provide Reserve Fund Credit Enhancement in lieu of cash-funding an account in the Subordinated Debt Service Reserve Funds, any amounts owed by the Authority to the Reserve Product Provider as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in determining amounts required to be deposited to the credit of the applicable account within the Subordinated Debt Service Reserve Funds and in any other calculation of debt service requirements required to be made pursuant to the Bond Resolution or this Indenture for any purpose, e.g., rate covenant or additional bonds test.

Except as otherwise provided in any Issuing Instrument, any deficiency in an account in the Subordinated Debt Service Reserve Funds resulting from a drawing thereunder or a revaluation of investments therein shall be replenished as soon as possible from Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, as provided in Section 8.02. If a Reserve Product Provider becomes insolvent, the Reserve Fund Credit Enhancement issued by such provider shall be valued at zero and, except as otherwise provided in any Issuing Instrument, the resulting deficiency in the applicable account in the Subordinated Debt Service Reserve Fund shall be funded in not less than equal monthly installments over a period of not more than sixty (60) months commencing at the beginning of the next Fiscal Year. The Trustee shall be entitled to assume that the Reserve Product Provider is solvent unless and until the Trustee receives written notice from the Authority, the Reserve Product Provider or any Bondholders holding in the aggregate not less than five (5%) of the

Subordinated Obligations then Outstanding secured by such Reserve Fund Credit Enhancement that the Reserve Product Provider is insolvent. For purposes hereof, the Reserve Product Provider shall be deemed insolvent if it is unable to pay its debts as they become due and payable.

Section 8.06. Application of Pledged Moneys. Subject to the terms and conditions set forth in this Indenture, moneys held for the credit of each account within the Subordinated Debt Service Funds shall be held in trust and disbursed by the Trustee for (a) the payment of interest and Regularly Scheduled Hedge Payments (if provided by the Issuing Instrument) on the applicable Series of Subordinated Obligations issued hereunder as such interest and Regularly Scheduled Hedge Payments become due and payable; (b) the payment of the principal of such Subordinated Obligations at such time as such principal becomes due and payable; and (c) the payment of the purchase or redemption price of such Subordinated Obligations before their maturity in the manner and to the extent provided in Section 8.04 hereof, and such moneys are hereby pledged to and charged with the payments mentioned in this Article.

Whenever the moneys held for the credit of the Subordinated Debt Service Reserve Funds, together with the moneys held for the credit of the Subordinated Debt Service Funds, are sufficient to pay the principal of, the interest accrued and the applicable premiums on all Subordinated Obligations then Outstanding under the provisions of this Indenture, and all costs and expenses as herein described, the funds on deposit in the Subordinated Debt Service Reserve Funds shall be transferred to the corresponding funds and accounts in Subordinated Debt Service Funds. Whenever the moneys held for the credit of the Subordinated Debt Service Funds shall be sufficient for paying the principal of, the interest accrued and the applicable premiums on all Subordinated Obligations then Outstanding under the provisions of this Indenture, and all costs and expenses as herein described, such moneys shall be applied by the Trustee for the payment, purchase or redemption of such Subordinated Obligations in the manner and to the extent provided in Section 8.04 hereof.

Section 8.07. Unclaimed Funds. If any Subordinated Obligation shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if funds sufficient to pay such Subordinated Obligation shall have been deposited with the Trustee for the benefit of the Holder or Holders thereof, all liability of the Authority to the Holder thereof for the payment of such Subordinated Obligation shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of Trustee to hold such funds, without liability for interest thereon, for the benefit of the Holder of such Subordinated Obligation, provided that any money deposited with the Trustee for the payment of the principal of (and premium, if any) or interest on any Subordinated Obligation and remaining unclaimed for two (2) years after such principal (and premium, if any) or interest has become due and payable, shall be paid to the Authority, and the Holder of such Subordinated Obligation or interest, as the case may be, shall thereafter, as an unsecured general creditor, look only to the Authority for payment thereof, and all liability of the Trustee with respect to such trust money shall thereupon cease.

Section 8.08. Reserved.

Section 8.09. Rebate Fund. The Authority covenants and agrees that it shall maintain and retain all records pertaining to and shall be responsible for making or having made all determinations and calculations of the Rebate Amount for each Series of Subordinated Obligations issued hereunder that are Tax Exempt Bonds for each Fiscal Year and shall deposit or cause the Trustee to deposit into the Rebate Fund from investment earnings on moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the Authority, an amount necessary to cause amounts on deposit in the Rebate Fund to be equal to the Rebate Amount. By written direction to the Trustee or pursuant to the Issuing Instrument authorizing a Series of Subordinated Obligations, the Authority may create a separate account within the Rebate Fund for any Series of Subordinated Obligations which are Tax Exempt Bonds. The Authority shall use such moneys deposited in the Rebate Fund only for the payment of the Rebate Amount to the United States as required by Section 9.03 hereof. Funds on deposit in the Rebate Fund in excess of the Rebate Amount, however, may be withdrawn and paid over to the Authority. In complying with the foregoing, the Authority may rely upon any instructions or opinions from Bond Counsel.

If any amount shall remain in the Rebate Fund after payment in full of all Subordinated Obligations issued hereunder that are Tax Exempt Bonds and after payment in full of the Rebate Amount to the United States in accordance with the terms hereof, such amounts shall be available to the Authority for any lawful purpose.

The Rebate Fund shall be held separate and apart from all other funds and accounts of the Authority, shall not be impressed with a lien in favor of the Bondholders and the moneys therein shall be available for use only as herein provided.

Notwithstanding any other provision of this Indenture, including in particular Section 15.01 hereof, the obligation to pay over the Rebate Amount to the United States and to comply with all other requirements of Section 9.03 and this Section 8.09 shall survive the defeasance or payment in full of the Subordinated Obligations to the extent necessary to preserve the exclusion of interest on the Subordinated Obligations issued hereunder as Tax Exempt Bonds from gross income for federal income tax purposes.

Section 8.10. Repayment to the Authority from the Subordinated Debt Service Funds. Any moneys remaining in the Subordinated Debt Service Funds after payment in full of the Subordinated Obligations according to Article XV below and payment of the fees, charges and expenses of the Trustee and any paying agents and any other items required to be paid hereunder shall be paid to the Authority.

ARTICLE IX DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 9.01. Deposits Constitute Trust Funds. All funds or other property which at any time may be owned or held in the possession of or deposited with the Trustee under the provisions of this Indenture shall be held in trust and applied only in accordance with the provisions of this Indenture, and shall not be subject to lien or attachment by any creditor of the Authority.

All funds or other property which at any time may be owned or held in the possession of or deposited with the Trustee under this Indenture shall be continuously secured, for the benefit of the Authority and the owners of the Subordinated Obligations either (a) by lodging with a bank or trust company approved by the Authority and the Trustee, as custodian, collateral security consisting of obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; but it shall not be necessary for the Trustee to lodge such collateral security with any other bank or trust company, if it lodges such collateral security with its trust department as custodian, nor shall it be necessary for the Trustee to give security for any moneys which shall be represented by investments in the obligations referred to in Section 9.02 hereof, purchased under the provisions of this Article as an investment of such moneys.

All moneys deposited with each Authorized Depository shall be credited to the particular fund or account to which such moneys belong.

Section 9.02. Investment of Moneys. Moneys held for the credit of the Construction Fund, the Subordinated Debt Service Funds and the Subordinated Debt Service Reserve Funds shall be invested and reinvested at the written request of an Authorized Authority Representative by the Trustee in Permitted Investments. Except with respect to investments held for the credit of the Subordinated Debt Service Reserve Funds, such investments or reinvestments shall mature not later than the respective dates, as estimated by the Authority, that the moneys for the credit or said funds or accounts will be needed for the purposes of such funds or accounts. Funds in the Subordinated Debt Service Reserve Funds shall also be invested in Permitted Investments maturing not later than fifteen (15) years from the date of such investments. The written request of an Authorized Authority Representative shall specify the issuer or obligor, the type, principal amount, interest rate and maturity of each such requested investment of moneys. As a condition to making any such discretionary investments the Trustee shall be entitled to rely upon the opinion of its counsel or the opinion of Bond Counsel as to the effect of federal arbitrage laws and regulations on any such investments.

Obligations so purchased as an investment of moneys in any such fund or account shall be deemed at all times to be a part of such fund or account, and any profit realized or loss resulting from the liquidation of such investments shall be credited or charged to such account or fund, and shall at all times, for the purposes of this Indenture, be valued at cost or the principal amount thereof, whichever is less (exclusive of accrued interest), except that investments in the Subordinated Debt Service Reserve Funds shall be valued semi-annually on March 31 and September 30 of each year at the lower of cost or market value, exclusive of accrued interest. The Trustee, at the direction of the Authority or when required to pay debt service on the Subordinated Obligations, shall sell at the best price obtainable any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from such funds or accounts. The Trustee, when authorized by the Authority, may trade with itself in the purchase and sale of securities for such investments; provided, however, that in no case shall any investment be otherwise than in accordance with the investment limitations contained in this Indenture and/or in a tax certificate or agreement relating to a Series of

Subordinated Obligations. Absent specific instructions as aforesaid or absent standing instructions from the Authority for investment of such moneys, then the Trustee shall not be responsible or liable for keeping the moneys invested.

Interest earned on any moneys or investments in any such Funds other than the Construction Fund shall be paid into the Revenue Fund under the Bond Resolution. Interest earned on any moneys or investments in a separate account in the Construction Fund shall be held in such account for the purposes thereof.

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

Section 9.03. Tax Covenants. The Authority covenants with the Bondholders of each Series of Subordinated Obligations that are Tax Exempt Bonds that it shall not use the proceeds of such Subordinated Obligations in any manner which would cause the interest on such Subordinated Obligations to be or become included in gross income for purposes of federal income taxation.

The Authority covenants with the Bondholders of each Series of Subordinated Obligations that are Tax Exempt Bonds that neither the Authority nor any person or entity under its control or direction will make any use of the proceeds of such Subordinated Obligations (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Subordinated Obligations to be "arbitrage bonds" within the meaning of the Code and neither the Authority nor any other person or entity under its control shall do any act or fail to do any act which would cause the interest on such Subordinated Obligations to be included in gross income for federal income tax purposes.

The Authority hereby covenants with the Bondholders of each Series of Subordinated Obligations that are Tax Exempt Bonds that it will use diligent efforts to comply with all provisions of the Code necessary to maintain the exclusion from gross income of interest on such Subordinated Obligations for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

The Authority may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includable in the gross income of the Bondholders thereof for federal income tax purposes, provided that the issuance thereof will not cause interest on any other Subordinated Obligations that are Tax Exempt Bonds theretofore issued hereunder to be or become subject to federal income taxation. The covenants set forth in this Section 9.03 shall not apply to any Taxable Bonds.

ARTICLE X PARTICULAR COVENANTS

Section 10.01. Rate Covenant.

(a) The Authority shall, while any of the Subordinated Obligations remain Outstanding, establish, fix, charge, prescribe and collect rates, fees, rentals and charges in connection with the ownership and operation of the Airport System and for services rendered in connection therewith, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate, so that the sum of (i) Available Net Revenues, plus, (ii) prior to the Consent Effective Date, PFC Revenues, or on and after the Consent Effective Date, Available Revenues, in either case, pledged to or irrevocably committed to pay principal of, premium, if any, and interest on a Series of Subordinated Obligations in an amount not to exceed the Annual Debt Service on such Series of Subordinated Obligations coming due in such Fiscal Year, plus (iii) any Transfers for each Fiscal Year will be at least equal to 100% of the aggregate amount required to be applied and/or deposited by the Authority during such Fiscal Year pursuant to Section 8.02(a) through (d).

(b) The Authority further agrees that, while any Subordinated Obligations remain Outstanding, it will establish, fix, charge, prescribe and collect rates, fees, rentals and charges in connection with the ownership and operation of the Airport System and for services rendered in connection therewith, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate, so that the sum of Available Net Revenues and any Transfers for each Fiscal Year will be equal to at least 1.10 times the Aggregate Annual Subordinated Debt Service due in such Fiscal Year on all Outstanding Priority Subordinated Indebtedness.

(c) The Authority covenants that if, while any Subordinated Obligations remain Outstanding, Available Net Revenues plus any Transfers in any Fiscal Year are less than the amounts specified in subsection (a) or (b) of this Section 10.01, the Authority will retain and direct a Consultant to make recommendations as to the revision of the Authority's schedule of rates, fees, rentals and charges for the use of the Airport System. After receiving such recommendations, the Authority will take such action as it deems appropriate to become compliant with the provisions of this Section 10.01 hereof in the next Fiscal Year.

For purposes of this Indenture, the term "Transfer" means the lesser of (a) the sum of (i) amounts on deposit in the Discretionary Fund on the last day of the Fiscal Year, to the extent such amounts are not restricted to other uses (including, without limitation, payment of principal of, premium, if any, or interest on any Senior Bonds or Subordinated Obligations and any payments into an account within a Subordinated Debt Service Reserve Fund), plus (ii) amounts paid from the Discretionary Fund during such Fiscal Year toward Operating and Maintenance Expenses or the principal of, premium, if any, or interest on any Subordinated Obligations, minus (iii) amounts deposited in the Discretionary Fund during such Fiscal Year, or (b) ten percent (10%) of the principal of, premium, if any, and interest on the Outstanding Priority Subordinated Indebtedness payable during such Fiscal Year.

Section 10.02. Covenants with Respect to Bond Resolution.

(a) The Authority covenants to apply funds on deposit in the Subordinated Revenue Fund and, subject and subordinate to its obligations under Section 411(1) and (2) of the Bond Resolution, the Discretionary Fund, to fund the deposit requirements and make the payments due hereunder as such deposits become due or such payments become due and payable.

(b) The Authority covenants and agrees to perform and comply in every respect material to the security of the Subordinated Obligations with all of its covenants and obligations contained in Articles IV and VII of the Bond Resolution, as such may be amended, which covenants are incorporated herein by reference and made a part hereof, and in all material respects with all applicable federal and state laws, rules and regulations relating to Additional Projects and the performance of the Authority's covenants and obligations hereunder.

(c) The Authority hereby covenants and agrees that it will not amend, revoke, repeal or modify the Bond Resolution in any manner which would impair the priority of lien upon the Pledged Subordinated Revenues and Pledged Secondary Subordinated Revenues for payment of all amounts due hereunder without consent of the necessary Bondholders pursuant to Section 14.02 hereof.

(d) The Authority hereby covenants and agrees that as long as this Indenture is in force and has not been defeased as provided in Section 15.01 hereof or amended to provide that no further Subordinated Obligations shall be issued hereunder and that any Subordinated Indebtedness (as defined in the Bond Resolution) issued pursuant to the Bond Resolution will be subordinate to the Subordinated Obligations issued under this Indenture, the Authority shall not issue indebtedness that is subordinate to the Senior Bonds and secured by and payable from Revenues pursuant to any instrument other than this Indenture.

Section 10.03. Covenant of Authority as to Performance of Obligations.

The Authority covenants that it will promptly pay the principal of and the interest on every Subordinated Obligation issued under the provisions of this Indenture at the places, on the dates and in the manner provided herein and in said Subordinated Obligations, and any premium required for the retirement of said Subordinated Obligations by purchase or redemption.

The Subordinated Obligations and the interest thereon and the other obligations of the Authority hereunder shall not be deemed to constitute a general debt, liability or obligation of the Authority or the City or a debt, liability or obligation of the State or any political subdivision thereof or a pledge of the faith and credit of the Authority, the City, the State or any political subdivision thereof. Neither the Authority, the City, the State nor any political subdivision thereof shall be directly, indirectly or contingently obligated to levy or pledge any form of ad valorem taxation whatsoever for the payment of the principal of or interest on the Subordinated Obligations or any other payments with respect thereto or to make any appropriation therefrom for any such payments. The Authority has no taxing power. The principal of and interest on the Subordinated Obligations and any other payments with respect thereto shall not be payable from

or constitute a lien or charge on any funds of the Authority or the City other than the Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, in the manner and to the extent provided herein.

Section 10.04. Covenant to Perform Undertakings. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions to be performed by the Authority as provided in this Indenture, in any and every Subordinated Obligation executed, authenticated and delivered hereunder and in all proceedings of the Authority pertaining thereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Subordinated Obligations authorized hereby and to enter into this Indenture, to pledge the Pledged Subordinated Revenues and Pledged Secondary Subordinated Revenues in the manner and to the extent herein set forth; that all action on its part for the issuance of the Subordinated Obligations initially issued hereunder and the execution and delivery of this Indenture has been duly and effectively taken; and that such Subordinated Obligations in the hands of the Holders and Owners thereof are and will be valid and enforceable obligations of the Authority according to the tenor and import thereof.

Section 10.05. Covenant to Perform Further Acts. The Authority covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as may be reasonably required for the better pledging unto the Trustee of all and singular the Pledged Subordinated Revenues and Pledged Secondary Subordinated Revenues pledged hereby to the payment of the principal of and interest and premium, if any, on the Subordinated Obligations.

ARTICLE XI EVENTS OF DEFAULT; REMEDIES

Section 11.01. Events of Default. The following events shall be "Events of Default" under this Indenture:

(a) default shall be made in the due and punctual payment of the principal of or premium, if any on any Subordinated Obligation when and as the same shall become due and payable whether at maturity or by call for redemption, or otherwise, or in the due and punctual payment of any installment of interest on any Subordinated Obligation when and as such interest installment shall become due and payable;

(b) default shall be made by the Authority in the performance or observance of the covenants, agreements and conditions on its part as provided in Section 10.01; provided, however, that a failure to comply with the covenants in Section 10.01 shall not constitute an Event of Default unless the Authority shall fail in the succeeding Fiscal Year to comply with the covenants in Section 10.01 or to restore any deficiencies which occurred in any funds or accounts created and held under this Indenture in the preceding Fiscal Year;

(c) default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part contained in this Indenture, any Issuing Instrument for any Outstanding Subordinated Indebtedness, or in the Subordinated Obligations and such default shall continue for a period of sixty (60) days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than twenty-five percent (25%) of the Outstanding Subordinated Obligations; provided, however, that if such default requires more than sixty (60) days to be remedied and the Authority proceeds with due diligence within such sixty-day period to commence to remedy such default, such sixty (60) day period shall be extended for so long as the Authority shall diligently and continuously pursue such remedy;

(d) an “Event of Default” under Section 801(i) of the Bond Resolution shall occur following the expiration of any applicable grace periods provided therein;

(e) the Authority shall file a petition seeking a composition of indebtedness under the Federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State;

(f) judgment for the payment of money shall be rendered against the Authority or the City as the result of the construction, improvement, ownership, control or operation of the Airport System, and any such judgment shall not be discharged within twenty-four (24) months after the entry thereof, or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof;

(g) an order or decree shall be entered, with the consent or acquiescence of the Authority or the City, appointing a receiver or receivers of the Airport or any part thereof, or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority or the City, shall not be vacated or discharged, stayed or appealed within ninety (90) days after the entry thereof; and

(h) an “Event of Default” shall occur under any agreement or Issuing Instrument relating to the issuance of any Other Parity Indebtedness following the expiration of any applicable grace periods provided therein; provided, however, that if under applicable law, regulation, policy or contract any obligations payable under Other Parity Indebtedness cannot be repaid from Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, then an “Event of Default” under such Other Parity Indebtedness shall not constitute an Event of Default under this Indenture.

Section 11.02. Accounting and Examination of Records After Default.

(a) The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records relating to the Airport shall at all times be subject to the inspection and

use of the Trustee and of its agents and attorneys, including any engineer or firm of engineers appointed to act on behalf of the Trustee.

(b) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Pledged Subordinated Revenues, Pledged Secondary Subordinated Revenues and other moneys, securities and funds pledged or held under this Indenture for such period as shall be stated in such demand.

Section 11.03. Application of Pledged Subordinated Revenues, Pledged Secondary Subordinated Revenues and Other Moneys After Default; No Acceleration.

(a) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and funds then held by the Authority in any fund or account under this Indenture (other than the Rebate Fund), (ii) all Pledged Subordinated Revenues, and (iii) all Pledged Secondary Subordinated Revenues as promptly as practicable after receipt thereof. In no event shall any Subordinated Obligation be subject to acceleration upon an Event of Default; except, however, that as long as any Other Parity Indebtedness may be accelerated upon an “Event of Default” thereunder, and such “Event of Default” thereunder is also an Event of Default under this Indenture, then upon any Other Parity Indebtedness being accelerated all other Subordinated Obligations on a parity with such Other Parity Indebtedness shall automatically be accelerated as well and the principal of and interest on all such parity Subordinated Obligations shall, upon acceleration of any Other Parity Indebtedness, immediately become due and payable.

(b) During the continuance of an Event of Default, the Trustee shall apply such moneys, securities, funds and Pledged Subordinated Revenues and the income therefrom, after payment of the expenses, liabilities and advances incurred or made by the Trustee and of the Trustee’s fees and expenses (including reasonable fees and expenses of counsel), as follows and in the following order:

(i) First, to the payment of the interest on, principal of, premium, if any, and all other amounts then due on the Priority Subordinated Indebtedness as follows:

(A) unless the principal of all of the Priority Subordinated Indebtedness shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest on Priority Subordinated Indebtedness other than Capital Appreciation Subordinated Obligations then due in order of the maturity of such installments, together with accrued and unpaid interest on the Priority Subordinated Indebtedness other than the Capital Appreciation Subordinated Obligations theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or

installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal and other amounts, or with respect to Capital Appreciation Subordinated Obligations the unpaid Maturity Amount, of any Priority Subordinated Indebtedness which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Priority Subordinated Indebtedness due on any date, then to the payment thereof ratably, according to the amounts of principal, or with respect to Capital Appreciation Subordinated Obligations the unpaid Maturity Amount, due on such date, to the persons entitled thereto, without any discrimination or preference.

(B) if the principal (or, with respect to Capital Appreciation Subordinated Obligations, the Maturity Amount) of all of the Priority Subordinated Indebtedness shall have become due and payable, to the payment of the principal, interest and other amounts (or, with respect to Capital Appreciation Subordinated Obligations, Maturity Amount) then due and unpaid upon the Priority Subordinated Indebtedness without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Priority Subordinated Indebtedness over any other Priority Subordinated Indebtedness, ratably, according to the amounts due respectively for principal, interest and other amounts (or, with respect to Capital Appreciation Subordinated Obligations, Maturity Amount), to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Priority Subordinated Indebtedness and coupons.

- (ii) Second, following provision for payment in full of the amounts for the benefit of the Priority Subordinated Obligations set forth in (i) above, to the payment of the interest on, principal of, premium, if any, and all other amounts then due on the Secondary Subordinated Indebtedness as follows:

(A) unless the principal of all of the Secondary Subordinated Indebtedness shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest on Secondary Subordinated Indebtedness other than Capital Appreciation Subordinated Obligations then due in order of the maturity of such installments, together with accrued and unpaid interest on the Secondary Subordinated Indebtedness other than the Capital Appreciation Subordinated Obligations theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or

installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal and other amounts, or with respect to Capital Appreciation Subordinated Obligations the unpaid Maturity Amount, of any Secondary Subordinated Indebtedness which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Secondary Subordinated Indebtedness due on any date, then to the payment thereof ratably, according to the amounts of principal, or with respect to Capital Appreciation Subordinated Obligations the unpaid Maturity Amount, due on such date, to the persons entitled thereto, without any discrimination or preference.

(B) if the principal (or, with respect to Capital Appreciation Subordinated Obligations, the Maturity Amount) of all of the Secondary Subordinated Indebtedness shall have become due and payable, to the payment of the principal, interest and other amounts (or, with respect to Capital Appreciation Subordinated Obligations, Maturity Amount) then due and unpaid upon the Secondary Subordinated Indebtedness without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Secondary Subordinated Indebtedness over any other Secondary Subordinated Indebtedness, ratably, according to the amounts due respectively for principal, interest and other amounts, (or, with respect to Capital Appreciation Subordinated Obligations, Maturity Amount) to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Secondary Subordinated Indebtedness.

If following application of all moneys held under this Indenture and available for such purposes any payment of principal of (or Maturity Amount), interest or other amount on any Priority Subordinated Indebtedness or Secondary Subordinated Indebtedness remains due and unpaid, following provision for payment of all amounts due under the Bond Resolution on the Senior Bonds, the Trustee may request any available funds in the Discretionary Fund held under the Bond Resolution be paid to the Trustee for payment of such due and unpaid amounts, and such amounts as may be received by the Trustee shall be applied, first, to pay principal of (or Maturity Amount), interest and other amounts on any Priority Subordinated Indebtedness then due in accordance with Section 11.03(b)(i) hereof and any amount remaining shall be applied to pay principal of (or Maturity Amount), interest and other amounts on any Secondary Subordinated Indebtedness then due in accordance with Section 11.03(b)(ii) hereof.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and

from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the setting aside of such moneys, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the owner of any Subordinated Obligation unless such Subordinated Obligation shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) If and whenever all overdue installments of interest on all Subordinated Obligations, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under this Indenture, including the principal and premium, if any, of and accrued unpaid interest on all Subordinated Obligations which shall then be payable and amounts due any Credit Provider or Hedge Provider under this Indenture, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under this Indenture or the Subordination Obligations shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities, and funds then remaining unexpended in the hands of the Trustee (except moneys, securities, and funds deposited or pledged, or required by the terms of this Indenture to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under this Indenture. No such payment over to the Authority by the Trustee or such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.04. Proceedings Brought By Trustee.

(a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and receipt of indemnification as provided in Section 12.02 of this Indenture shall proceed, to protect and enforce its rights and the rights of the Holders of the Subordinated Obligations under this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if

the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture.

(b) All rights of action under this Indenture may be enforced by the Trustee without the possession of any of the Subordinated Obligations or coupons or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

(c) The Holders of not less than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and not less than a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

(d) Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(e) Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of not less than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness, and not less than a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness and furnished with reasonable security and indemnity in accordance with Section 12.02 of this Indenture, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture by any acts which may be unlawful or in violation of this Indenture, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

(f) When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of a default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 11.05. Restriction on Bondholder's Action.

(a) No holder of any Subordinated Obligation shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Indenture or by the Act, the Bond Resolution or by the laws of Florida or to institute such action, suit or proceeding in its own name, and unless such Bondholders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby in accordance with Section 12.02 of this Indenture, and the Trustee shall have refused to comply with such request for a period of thirty (30) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Subordinated Obligations shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Holders of the Outstanding Subordinated Obligation.

(b) Nothing in this Indenture or in the Subordinated Obligations shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay, from the sources herein specified, at the respective dates of maturity and places therein expressed the principal of, premium, if any, and interest on the Subordinated Obligations to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of any Subordinated Obligation held by it.

Section 11.06. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of adoption of this Indenture.

Section 11.07. Effect of Waiver and Other Circumstances.

(a) No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

(b) The Holders of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Outstanding Subordinated Obligations, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Subordinated Obligations waive any past default under this Indenture and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Subordinated Obligations. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 11.08. Notice of Default. The Trustee shall, upon becoming aware of any Event of Default under Section 11.01(a) of this Indenture or, upon receipt of written notice of any Event of Default, promptly post written notice of the occurrence of such Event of Default to EMMA. If in any Fiscal Year Available Net Revenues shall be insufficient to comply with the provision of Section 10.01, the Trustee, on or before the 30th day after receipt of the annual audit, shall post to EMMA written notice of such failure.

**ARTICLE XII
CONCERNING THE TRUSTEE, BOND REGISTRAR AND PAYING AGENT**

Section 12.01. Acceptance of Trusts; Performance of Duties. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture, to all of which the parties hereto and the respective Bondholders agree. All funds created under this Indenture shall be held by the Trustee (except as otherwise herein provided) and administered as trust funds as herein provided. Where this Indenture requires the Authority to obtain the acceptance, consent or approval of the Trustee, the same shall not be unreasonably withheld.

The Trustee, prior to the occurrence of an Event of Default, and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in the exercise of such rights and powers, as an ordinary, prudent individual would exercise or use in the conduct of his or her own affairs.

Section 12.02. Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant with respect to actions arising under this Indenture, or to take any steps in the execution of the trust hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment reasonably proper to be done by it as such Trustee, without indemnity, and in any such case the Authority shall reimburse the Trustee for all reasonable costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements properly incurred in connection therewith.

Section 12.03. Limitation on Obligations and Responsibilities. The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Authority, or to report, or make or file claim or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity or sufficiency of this Indenture or the due execution or acknowledgment thereof, or the validity or sufficiency of the security provided hereunder, or except as to the authentication thereof by the Trustee, in respect of the validity of the Subordinated Obligations or the due execution or issuance thereof. The permissive right of the Trustee to take actions enumerated in this Indenture shall not be construed as a duty to take such actions.

Section 12.04. Limitation on Liability. The Trustee shall not be liable or responsible because of the failure of the Authority or any of its employees or agents to make any collections or deposits or to perform any act herein required of them or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other Authorized Depository other than itself in which such moneys shall have been deposited under the provisions of this Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Subordinated Obligations or any other moneys deposited with it and paid out, withdrawn or transferred in accordance with the provisions of this Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents. The Trustee may perform the duties required of it under this Indenture by or through officers, agents, employees or attorneys.

None of the provisions of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, negligent failure to act, or willful misconduct, except that

(a) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, agents or employees, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts;

(b) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less

than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and the Holders of not less than a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the provisions of this Indenture;

(c) the Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any counsel, accountants or skilled persons of generally accepted competence selected by it with reasonable care; and

(d) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 12.05. Compensation of Trustee. The Authority shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees incurred in and about the performance of their powers and duties under this Indenture and such obligations shall constitute an Operation and Maintenance Expense of the Authority. Subject to the provisions of Section 12.07, the Authority further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default, and such indemnity obligation shall constitute an Operation and Maintenance Expense of the Authority. When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of a default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 12.06. Annual Statement. It shall be the duty of the Trustee each Fiscal Year, to file with the Authority a statement setting forth with respect to the preceding Fiscal Year

(a) the amount withdrawn or transferred by it and the amount deposited with it on account of each fund and account held by it under the provisions of this Indenture;

(b) the amount on deposit with it at the end of such Fiscal Year to the credit of such fund and account;

(c) a brief description of all obligations held by it as an investment of moneys in each such fund and account;

(d) the amount applied to the purchase or redemption of Subordinated Obligations under the provisions of Section 8.04 of this Indenture and a description of

the Subordinated Obligations or portions of Subordinated Obligations so purchased or redeemed; and

- (e) any other information which the Authority may reasonably request.

All records and files pertaining to the Additional Projects in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority, the Bondholders, and their agents and representatives.

Section 12.07. Evidence on Which the Trustee May Act.

(a) The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Indenture, shall examine such instrument to determine whether it conforms to the requirements of this Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be of counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Indenture in good faith and in accordance therewith.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Authority Representative, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Trustee may, in lieu of a certificate of an Authorized Authority Representative, accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to the Trustee shall be sufficiently executed if executed in the name of the Authority by an Authorized Authority Representative.

Section 12.08. Notice of Defaults. Except as otherwise provided in this Indenture, the Trustee shall not be obligated to take notice or be deemed to have notice of any Event of Default hereunder except as to the funds held by it or other defaults actually known to it unless specifically notified in writing of such Event of Default by any Holder or the Authority.

Section 12.09. Trustee as Bondholder. The Trustee may become the Holder of any Subordinated Obligations with the same rights it would have if it were not a Trustee. To the extent permitted by law, the Trustee may act as Depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Holders or to effect or aid in any reorganization growing out of the enforcement of the Subordinated Obligations or this Indenture, whether or not any such committee shall represent the Holders of not less than a majority in aggregate principal

amount of the Subordinated Obligations then Outstanding and may join in any action which any Holder may be entitled to take.

Section 12.10. Trustee Not Responsible for Recitals. The recitals of fact herein and in the Subordinated Obligations contained shall be taken as the statements of the Authority and the Trustee shall not assume any responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of any Subordinated Obligations issued thereunder or as to the security afforded by this Indenture, and shall not incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its Certificate of Authentication on the Subordinated Obligations. The Trustee shall not be under any responsibility or duty with respect to the application of any moneys paid to the Authority. The Trustee shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of Section 12.01, the Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

Section 12.11. Reliance on Certain Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any attorney, engineer, consultant or accountant of generally accepted competence selected by the Trustee with reasonable care, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matter referred to therein, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall not be bound to recognize any person as an owner of any Subordinated Obligation or to take any action at his request unless proof of ownership of such Subordinated Obligation satisfactory to the Trustee has been exhibited to or deposited with the Trustee. The Trustee shall not be under any obligation to see to the recording or filing of this Indenture or any other instrument or otherwise to the giving to any person of notice of the provisions hereof or thereof.

Section 12.12. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Indenture by giving not less than one hundred twenty (120) days' written notice to the Authority and posting notice of such resignation with the Municipal Securities Rulemaking Board via its EMMA system or any successor thereto, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 12.14, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that in no event shall the resignation of the Trustee become effective until a successor Trustee shall have been appointed pursuant to the provisions of this Article. Notwithstanding anything herein to the contrary, the only remedy for the failure by the Trustee to post any notice with EMMA shall be an action by the holders, as applicable, in mandamus for specific performance or similar remedy to compel performance.

Section 12.13. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Holders of a majority of the Priority Subordinated Indebtedness then Outstanding or their attorneys-in-fact duly authorized, excluding any Priority Subordinated Indebtedness held by or for the account of the Authority, or, so long as the Authority is not then in default hereunder, by a certificate of an Authorized Authority Representative filed with the Trustee. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Indenture with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the Authority or the holders of not less than twenty-five percent (25%) of the Priority Subordinated Indebtedness then Outstanding under this Indenture.

Section 12.14. Appointment and Qualification of Successor Trustee. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Authority, so long as the Authority is not then in default hereunder, or, if the Authority is then in default hereunder or the Authority has not appointed a successor Trustee within forty-five (45) days of the occurrence of such event, by the Holders of a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness, excluding any Priority Subordinated Indebtedness held by or for the account of the Authority. Such appointment by the Holders shall be by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; provided, nevertheless, that unless a successor Trustee shall have been appointed by the Holders as provided in this Section 12.14, the Authority shall promptly appoint a successor Trustee to fill such vacancy by a duly executed written instrument signed by an Authorized Authority Representative. The Authority shall mail notice of any such appointment made by it to each Holder of Subordinated Obligations within twenty (20) days after such appointment and the Authority shall post notice of any such appointment made by it to EMMA within twenty (20) days after such appointment. If the Authority shall be in default hereunder at the time of the appointment of a successor Trustee pursuant to this Section 12.14, then the Holders of a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness, excluding any Priority Subordinated Indebtedness held by or for the account of the Authority, may appoint successor Trustee who shall, immediately upon the delivery of the instrument or instruments signed and acknowledged by such Holders or by their attorneys-in-fact, supersede the successor Trustee appointed by the Authority.

If no successor Trustee shall have been so appointed and shall have accepted such appointment on or before the date ninety (90) days after the resignation, removal, incapability or other occurrence resulting in a vacancy in the office of the Trustee, the Trustee (as applicable) or any Holder may petition any court of competent jurisdiction for the appointment of a successor Trustee until a successor shall have been appointed as above provided.

Any Trustee hereafter appointed shall be a bank or trust company duly and legally authorized and empowered to exercise the corporate trust powers provided herein, and subject to

examination by federal or state authority, of good standing and having a combined capital and surplus aggregating not less than fifty million dollars (\$50,000,000).

Section 12.15. Vesting of Trusts in Successor. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainty vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority. Any such successor Trustee shall promptly notify all Paying Agents of its appointment as Trustee.

Section 12.16. Merger or Consolidation. Any company into which the Trustee or any other fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee or any such fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, shall have a net worth after such merger, conversion, consolidation, sale or transfer at least equal to the net worth of the Trustee or such fiduciary immediately prior thereto, and shall be authorized by law to perform all the duties imposed upon it by this Indenture, shall be the successor to such Trustee or such fiduciary without the execution or filing of any paper or the performance of any further act.

Section 12.17. Adoption of Authentication. In case any of the Subordinated Obligations contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the Certificate of Authentication of any predecessor Trustee so authenticating such Subordinated Obligations and deliver such Subordinated Obligations so authenticated; and in case any of the said Subordinated Obligations shall have not been authenticated, any successor Trustee may authenticate such Subordinated Obligations in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Subordinated Obligations or in this Indenture provided that the certificate of the Trustee shall have such full force.

**ARTICLE XIII
EXECUTION OF INSTRUMENTS BY BONDHOLDERS
AND PROOF OF OWNERSHIP OF SUBORDINATED OBLIGATIONS**

Section 13.01. Execution of Instruments by Bondholders; Proof of Ownership of Subordinated Obligations. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. Proof of the execution of any such instrument shall be sufficient for any purpose of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument, if the fact and date of the execution by any person of any such instrument may be proved by the verification of any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution. The ownership of the Subordinated Obligations issued in registered form shall be proved by the registration books kept by the Bond Registrar under the provisions of this Indenture.

None of the provisions contained in this Article, however, shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request or consent of the Owner of any Subordinated Obligation shall bind every future Owner of the same Subordinated Obligation in respect of anything done by the Trustee in pursuance of such request or consent whether or not such request or consent is actually known to such future Owner.

**ARTICLE XIV
SUPPLEMENTAL SUBORDINATED INDENTURES**

Section 14.01. Supplemental Subordinated Indentures Without Bondholder Consent. The Authority and the Trustee may, from time to time and at any time, and without the consent of the Bondholders, enter into such Issuing Instruments or Supplemental Subordinated Indentures as shall not adversely affect the interests of the Bondholders hereunder (which Supplemental Subordinated Indentures shall thereafter form a part hereof):

- (a) to cure any ambiguity, inconsistency or formal defect or omission in this Indenture or in any Supplemental Subordinated Indenture, or
- (b) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee, including the pledge or commitment of Additional Revenues, or
- (c) to provide for the sale, authentication and delivery of Additional Subordinated Obligations (including Refunding Subordinated Obligations) and the disposition of the proceeds from the sale thereof, in the manner and to the extent authorized by Sections 4.09 and 4.10 or Section 4.11 above, or

(d) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Subordinated Obligations for sale under the securities laws of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute, or

(e) to provide for the designation of a co-trustee who shall have the same qualifications as provided for a successor Trustee in Section 12.14 of this Indenture, or

(f) to provide for the issuance of Subordinated Obligations in the form of coupon bonds or certificated or uncertificated registered public obligations as contemplated in Section 4.03 of this Indenture, or

(g) to provide for changes suggested by a Rating Agency as necessary to secure the highest rating on the Subordinated Obligations, or

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

(i) to accommodate the use of a Credit Facility for specific Subordinated Obligations or a specific Series of Subordinated Obligations; or

(j) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to prevent the interest on the Subordinated Obligations that are Tax Exempt Bonds from being included in gross income for federal income tax purposes, including, without limitation, the segregation of Revenues, Net Revenues, Pledged Subordinated Revenues and Pledged Secondary Subordinated Revenues into different funds; or

(k) to make any other change or modification of the terms hereof which, in the judgment of the Authority, is not materially adverse to the rights or interests of the holders of the Subordinated Obligations.

Section 14.02. Modification of Indenture with Consent of Bondholders. Subject to the terms and provisions contained in this Section and not otherwise, the Holders of not less than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and the Holders of not less than a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee, as the case may be, of such Supplemental

Subordinated Indentures as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Indenture or in any Supplemental Subordinated Indenture; provided, however, that nothing contained herein shall permit, or be construed as permitting (a) an extension of the maturity of principal of or the interest on any Subordinated Obligation issued hereunder, or (b) a reduction in the principal amount of any Subordinated Obligation or the rate of interest thereon, or (c) the creation of a lien upon or pledge of the Pledged Subordinated Revenues ranking prior to the lien or pledge created by this Indenture for the Priority Subordinated Indebtedness or any change in the terms of this Indenture that adversely affects the lien on the Pledged Subordinated Revenues created hereby in any material respect, or the creation of a lien upon or pledge of the Pledged Secondary Subordinated Revenues ranking prior to the lien or pledge created by this Indenture for the Secondary Subordinated Obligations or any change in the terms of this Indenture that adversely affects the lien on the Pledged Secondary Subordinated Revenues created hereby in any material respect, or (d) a preference or priority of any Subordinated Obligation or Subordinated Obligations of one lien over any other Subordinated Obligation or Subordinated Obligations of the same lien, or (e) a reduction in the amount of the Subordinated Obligations required for consent to such Supplemental Subordinated Indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any Issuing Instrument or Supplemental Subordinated Indenture as authorized in Section 14.01 of this Article.

If at any time the Authority shall request the Trustee to enter into any Supplemental Subordinated Indenture for any of the purposes of this Section 14.02, then the Trustee shall cause notice of the proposed execution of such Supplemental Subordinated Indenture to be filed with EMMA and mailed, postage prepaid, to all Holders of Subordinated Obligations then Outstanding at their addresses as they appear on the registration books and the Authority shall reimburse the Trustee for all reasonable expenses incurred by it in connection therewith. Such notice shall briefly set forth the nature of the proposed Supplemental Subordinated Indenture, and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Bondholders. To the extent the Holders have authorized communication of such notices by other format (e.g., electronic or otherwise) such format may be used in lieu of mailing such notice.

Whenever the Authority shall deliver to the Trustee an instrument or instruments purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and the Holders of not less than a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness, which instrument or instruments shall refer to the proposed Supplemental Subordinated Indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form which accompanied such notice to the Owners of the Subordinated Obligations, or otherwise referred to in such notice as on file with the Trustee, thereupon, the Trustee may execute such Supplemental Subordinated Indenture in substantially such form, without liability or responsibility to any Bondholder, whether or not such Bondholder shall have consented thereto. The foregoing notwithstanding, consent to amendments to this Indenture or any Supplemental Subordinated Indenture may be obtained from Holders of any Series of Subordinated Obligations upon the issuance thereof by inclusion in such Subordinated Obligations and the offering document, if any, relating to such Subordinated Obligations, of a statement to the effect that by acceptance thereof such Holders shall be deemed to have

consented to such amendments, without the requirement of any separate written consent from such Holders. Notwithstanding any other provision of this Section 14.02, to the extent permitted by law, at the time of issuance or remarketing of the Subordinated Obligations under this Indenture, a broker, dealer or municipal securities dealer, serving as underwriter or remarketing agent for such Subordinated Obligations, or as agent for or in lieu of Bondholders of the Subordinated Obligations, may provide consent to amendments to this Indenture pursuant to this Section 14.02. Credit Providers may also provide consent to the extent permitted under Section 16.08 hereof.

If the Holders of not less than a majority in aggregate principal amount of the Outstanding Priority Subordinated Indebtedness and a majority in aggregate principal amount of the Outstanding Secondary Subordinated Indebtedness at the time of the execution of such Supplemental Subordinated Indenture shall have consented to and approved the execution thereof as herein provided, no Bondholder shall have any right to object to the execution of such Supplemental Subordinated Indenture or to object to any of the terms and provisions contained therein or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any Supplemental Subordinated Indenture pursuant to the provisions of this Section 14.02, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority and the Trustee and the Holders of all Subordinated Obligations then Outstanding, shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Notwithstanding the foregoing, a Supplemental Subordinated Indenture that only affects the Priority Subordinated Indebtedness or the Secondary Subordinated Indebtedness, or any Series thereof, may be adopted if the Holders of not less than a majority in aggregate principal amount of the Outstanding affected Subordinated Obligations consent to such Supplemental Subordinated Indenture in the manner provided above.

Section 14.03. Supplemental Subordinated Indenture Deemed Part of this Indenture. The Trustee is authorized to join with the Authority in the execution of any such Supplemental Subordinated Indenture and to make the further agreements and stipulations which may be contained therein. Any Supplemental Subordinated Indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture and all of the terms and conditions contained in any such Supplemental Subordinated Indenture as to any provisions authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes. In case of the execution and delivery of any Supplemental Subordinated Indenture, express reference may be made thereto in the text of any Subordinated Obligations issued thereafter, if deemed necessary or desirable by the Trustee or the Authority.

Section 14.04. Discretion of Trustee in Executing Supplemental Subordinated Indentures. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of Bond Counsel as conclusive evidence that any such proposed

Supplemental Subordinated Indenture does or does not comply with the provisions of this Indenture, that such action will not, in and of itself, cause the interest on Subordinated Obligations (other than Taxable Bonds) to be included in gross income of the holders thereof for federal income tax purposes, and that it is or is not proper for the Trustee, under the provisions of this Article, to join in the execution of such Supplemental Subordinated Indenture. Subject to the foregoing, the Trustee shall approve such Supplemental Subordinated Indentures provided that its duties and obligations thereunder are no greater than its duties and obligations which already exist under this Indenture, unless it shall agree to such additional duties in its consent.

ARTICLE XV DEFEASANCE

Section 15.01. Release of Indenture. If, at any time after the date of this Indenture (a) the Subordinated Obligations secured hereby or any Series or all or any portion of one or more maturities thereof, shall have become due and payable in accordance with their terms or otherwise as provided in this Indenture, or such Subordinated Obligations shall have been duly called for redemption, or the Authority gives the Trustee irrevocable instructions concerning the payment of the principal, interest and redemption premium, if any, on such Subordinated Obligations at maturity or at any earlier redemption date scheduled by the Authority, or any combination thereof, (b) the whole amount of the principal, premium, if any, and the interest so due and payable upon all of such Subordinated Obligations, at maturity or upon redemption, shall be paid, or sufficient moneys shall be held by the Trustee under this Indenture (whether or not in any funds or accounts created hereby) or by an Authorized Depository acting as an escrow agent, in irrevocable trust for the benefit of the Holders of such Subordinated Obligations, which, when invested in non-callable Defeasance Obligations maturing not later than the maturity dates of such principal, interest and redemption premium, if any, will, together with the income realized on such investments, be sufficient to pay all such principal and interest and redemption premium, if any, on said Subordinated Obligations at the maturity thereof or the date upon which such Subordinated Obligations are to be called for redemption prior to maturity, (c) provisions shall also be made for paying all other sums payable hereunder by the Authority with respect to the Subordinated Obligations to be defeased, and (d) the Trustee shall have received an opinion of Bond Counsel to the effect that all conditions precedent to a release of this Indenture pursuant to this Section 15.01 with respect to the Subordinated Obligations to be defeased have been complied with and that such release will not, in and of itself, cause the interest on the Subordinated Obligations to be defeased or any other Subordinated Obligations that thereafter remain Outstanding (that are not Taxable Bonds) to be included in gross income of the holders thereof for federal income tax purposes, then, and only in that case, the right, title and interest of the Trustee hereunder and the pledge of and lien on the Pledged Subordinated Revenues or Pledged Secondary Subordinated Revenues, as applicable, and all other pledges and liens created hereby and thereby or pursuant thereto, shall, with respect to such Subordinated Obligations, thereupon cease, determine and become void, and if such conditions have been satisfied with respect to all Subordinated Obligations Outstanding hereunder, the Trustee in such case, on demand of the Authority, shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the Authority, and shall turn over to the Authority, any surplus in any account in the Subordinated Debt Service Funds and Subordinated Debt Service Reserve Funds and all balances remaining in any other funds or accounts created by this Indenture other than moneys held in the Rebate Fund

or held for redemption or payment of Subordinated Obligations and to pay all other sums payable by the Authority hereunder; otherwise this Indenture, shall be, continue and remain in full force and effect.

For the purposes of this Section 15.01, the amount of interest to accrue on Variable Rate Indebtedness to maturity or redemption shall be determined by assuming interest thereon will accrue at the maximum rate of interest such Variable Rate Indebtedness may bear pursuant to its Issuing Instrument, or the maximum rate permitted by law if such Issuing Instrument provides no maximum rate of interest.

Notwithstanding any other provision of this Indenture, including in particular this Section 15.01, the obligation to pay over the Rebate Amount to the United States and to comply with all other requirements of Section 8.09 and Section 9.03 shall survive the defeasance or payment in full of the Subordinated Obligations to the extent necessary to preserve the exclusion of interest on such Subordinated Obligations which are issued as Tax Exempt Bonds from gross income for federal income tax purposes.

ARTICLE XVI MISCELLANEOUS PROVISIONS

Section 16.01. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Indenture to be given to or filed with the Bondholders, the Authority, or the Trustee shall be in writing and shall be deemed to have been sufficiently given or filed for all purposes of this Indenture if and when sent by registered mail, return receipt requested (or such other format as may be consented to or requested by such parties from time to time in writing):

To the Bondholders, addressed to their addresses as they appear on the registration books provided for in this Indenture or if such Subordinated Obligations are not registered, by publication through EMMA in the manner described in Section 6.01.

To the Authority, addressed to:

Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399

Attention: Executive Director

To the Trustee, addressed to or at its designated trust office:

U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801

Attention: Corporate Trust Department

All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession, subject at all reasonable times to the inspection by the Authority and any Bondholder, and the agents and representatives thereof.

Section 16.02. No Third-Party Beneficiaries. Except as herein otherwise expressly provided, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the owners of the Subordinated Obligations issued under and secured by this Indenture, any right, remedy or claim, legal or equitable, under or by reason of this Indenture or any provision hereof, this Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the owners from time to time of the Subordinated Obligations issued hereunder.

Section 16.03. Effect of Partial Invalidity. In case any one or more of the provisions of this Indenture or of the Subordinated Obligations issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Indenture or of said Subordinated Obligations, but this Indenture and said Subordinated Obligations shall be construed and enforced as if such illegal and invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Subordinated Obligations or in this Indenture shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the parties thereto to the extent permitted by law.

Section 16.04. Members of Authority Not Liable. All covenants, stipulations, obligations and agreements of the Authority contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized by the Act and provided by the Constitution and laws of the State. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, member, agent or employee of the Authority or the City in his individual capacity, and neither the members of the Board of the Authority or the City Council of the City or agents or employees of the Authority or the City nor any official executing the Subordinated Obligations shall be liable personally on the Subordinated Obligations or under this Indenture.

Section 16.05. Binding Effect; Controlling Law. This Indenture shall inure to the benefit of and shall be binding upon the Authority, the Trustee, the Bondholders and each of their respective successors and assigns, and shall be governed by and construed in accordance with the laws of the State.

Section 16.06. Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and all such counterparts shall constitute but one and the same instrument.

Section 16.07. Headings Not Part of Indenture. Any heading preceding the text of the several Articles hereof shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

Section 16.08. Credit Providers. If a Credit Facility is provided for a Series of Subordinated Obligations or for specific Subordinated Obligations, the Authority may in the Issuing Instrument under which such Subordinated Obligations are issued, provide any or all of the following rights to the Credit Provider as the Authority shall deem to be appropriate:

(a) the right to make requests of, direct or consent to the actions of the Trustee or to otherwise direct proceedings all as provided in Article XI of this Indenture to the same extent and in place of the Owners of the Subordinated Obligations which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Holder of such Subordinated Obligations;

(b) the right to act in place of the Owners of the Subordinated Obligations which are secured by the Credit Facility for purposes of removing a Trustee or appointing a Trustee under Article XII hereof; and

(c) the right to consent to Supplemental Subordinated Indentures to the same extent and in place of the Holders of the Subordinated Obligations, which require the consent of the Holders of not less than a majority of the aggregate Principal Amount of the Outstanding Subordinated Obligations, entered into pursuant to Section 14.02 of this Indenture to the same extent and in place of the Holders of the Subordinated Obligations which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Holder of such Subordinated Obligations.

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

[Signature page follows]

**APPENDIX A
DEFINED TERMS INCORPORATED FROM BOND RESOLUTION**

IN WITNESS WHEREOF, the Greater Orlando Aviation Authority has caused this Indenture to be executed by its Chairman, and the seal of said Authority to be impressed hereon and attested by the Secretary of the Authority, and U.S. Bank National Association, has caused this Indenture to be executed in its behalf, as Trustee, and attested, all as of the day and year first above written.

**GREATER ORLANDO AVIATION
AUTHORITY**

(Seal)

By _____
Chairman

ATTEST:

Secretary

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By _____

ATTEST:

By _____

The following terms shall have the meaning in this Indenture as set forth in the Bond Resolution, as amended from time to time. The definitions provided below are merely for convenience, and in the event of any inconsistency between these definitions and the definitions set forth in the Bond Resolution, the Bond Resolution shall prevail. The Authority may replace this Appendix A at any time and from time to time to reflect amendments to the Bond Resolution without complying with the provisions of Article XIV hereof. Subject to Section 10.02 of this Indenture, when any such term is amended in the Bond Resolution, the meaning of such term in this Indenture shall be immediately amended as well. References to Sections and the term “herein,” “hereof” and the like in this Appendix refer to the Bond Resolution.

“Act” means the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida 1957, as amended.

“Aggregate Debt Service” means, as of any particular date of computation and with respect to any period, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds.

“Airport Consultant” means the airport consultant or airport consulting firm or corporation at the time retained by the Authority pursuant to Section 714 to perform the acts and carry out the duties provided for such Airport Consultant in this Resolution.

“Airport System” means (i) the Orlando International Airport owned by the City and operated by the Authority, including all improvements and facilities now in existence, as said Airport may be hereafter added to, extended, improved or constructed and equipped, and (ii) any other aviation facility or airport acquired or constructed by the Authority; provided that, the Airport System shall not include Orlando Executive Airport or any additions, extensions or improvements thereto, unless (a) the Authority shall by Supplemental Resolution, expressly add Orlando Executive Airport to the Airport System, and (b) shall deliver to the Trustee (1) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding hereunder that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (2) the written consent of any bond insurers or other credit provider having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder. Special Purpose Facilities shall not be part of the Airport System except as otherwise provided by Supplemental Resolution so long as Special Purpose Facility Debt is outstanding with respect to such Special Purpose Facilities.

“Authority” means the Greater Orlando Aviation Authority created pursuant to the Act as an agency of the City, and any board or commission succeeding to the principal functions thereof or upon whom the powers conferred by the Act to said Authority shall be given by law. As used herein, the term Authority means the Greater Orlando Aviation Authority, acting on behalf of itself and the City.

A-43

“Available Revenues” means for any period of time, (i) the amount of Available PFC Revenues and Available CFC Revenues to be received by the Authority during such period and (ii) the amount of any other future income or revenue source not then included in the definition of “Revenues” and the Authority designates as “Available Revenues” in a future Supplemental Resolution duly adopted by the Board; provided, however, that any such Supplemental Resolution shall also establish a corresponding account and the functional provisions for the receipt, deposit and application of such source of income or revenue substantially similar to what is current provided in Section 727 hereof for Available PFC Revenues and Available CFC Revenues.

“Board” means the Greater Orlando Aviation Authority Board, the governing body of the Authority.

“City” means the City of Orlando, Florida, a municipal corporation in the County of Orange, State of Florida.

“Consulting Engineers” means the engineer or engineering firm or corporation at the time retained by the Authority pursuant to Section 715 to perform the acts and carry out the duties provided for such Consulting Engineers in this Resolution.

“Cost of Construction” with respect to any Additional Project, means the Authority’s costs properly attributable to the construction or acquisition thereof, including but not limited to, the cost of acquisition by or for the Authority of real or personal property or other interest therein, costs of physical construction, and costs of the Authority incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, cost of audits, fees and expenses of the Fiduciaries and costs of financing, administrative and general overhead and keeping accounts and making reports required by the Bond Resolution prior to commencement of operation of such Additional Project, amounts, if any, required by the Bond Resolution to be paid into any Fund or Account established under the Bond Resolution upon the issuance of any Series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than the Bonds) incurred for such Additional Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Additional Project, and may include reimbursement to the Authority for any such items of Cost of Construction theretofore paid by or on behalf of the Authority and such other costs and expenses as provided by Supplemental Resolution.

“Customer Facility Charges” or “CFCs” means all amounts received by the Authority from the charges imposed by car rental companies upon car rental customers arriving at Orlando International Airport and renting a vehicle from a car rental company serving such Airport, which charges are established by the Authority by resolution, as the same may be amended from time to time, and shall be collected by the car rental companies for the benefit of the Airport System, together with any interest thereon.

“Discretionary Fund” means the Airport Facilities Discretionary Fund established by Section 402.

“Fiscal Year” means the then current annual accounting period of the Authority for its general accounting purposes which period, at the time of the adoption of the Resolution, is the period of twelve consecutive calendar months ending with the last day of September of any year.

“Fitch” means Fitch Investors Service, L.P., a limited partnership organized and existing under the laws of the State of New York, its successors and assigns and, if such entity shall no longer perform the function of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Investment Securities” means any of the following securities, if and to the extent the same are at the time legal for investment of moneys and funds held under the Resolution:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency to the extent such obligations are unconditionally guaranteed by the United States of America (“United States Obligations”);

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including any Depository or Paying Agent), provided that such certificates of deposit must be purchased directly from such bank, trust company or national banking association and must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national banking association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so

secured must furnish the Authority with an undertaking satisfactory to the Authority that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association secured by any one or more of the securities described in clauses (i), (ii) or (iii) above;

(vi) pre-refunded obligations of any state or of any agency, instrumentality or local governmental unit of any such state meeting the following conditions:

(A) the obligations are not to be redeemed prior to maturity or the fiduciary for such obligations has been given irrevocable instructions concerning their calling and redemption;

(B) the obligations are secured by cash or United States Obligations that may be applied only to interest, principal and redemption premium payments of such obligations;

(C) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) have been verified by an independent certified public accountant as being sufficient to pay the principal of, redemption premium, if any, and interest on such obligations on the maturity dates or redemption dates specified in the irrevocable instructions referred to in clause (A) above;

(D) the United States Obligations and cash serving as security for the obligations are held by an escrow agent or trustee;

(E) the United States Obligations and cash are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(F) the obligations are rated in the highest rating category by Moody's and S&P;

(vii) units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to applicable state law as a legal depository of public moneys;

(viii) commercial paper rated, at the time of purchase, at a minimum of "Prime-1" by Moody's and "A-1" or better by S&P (prime commercial paper) or equivalent ratings by two Rating Agencies;

(ix) interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida, in savings and loan associations located in Florida and organized under federal law and under federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(x) direct general obligations of any state of the United States of America or any political subdivision, agency or municipality thereof whose unsecured, uninsured or unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P, or any obligation fully and unconditionally guaranteed by any such state, political subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated at the time of purchase, "A" or better by Moody's and "A" or better by S&P;

(xi) tax-exempt revenue bond obligations of any state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof rated at the time of purchase at least "Aa" by Moody's and at least "AA" by S&P; and

(xii) any certificates, receipts or similar instruments ("Certificates") which were issued by or pursuant to a trust or similar arrangement and which evidence ownership or the right to receive payments of principal or interest or any securities (a) issued by a state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof and (b) meeting the requirements set forth in clauses (iii), (vi), (x) or (xi) above ("Municipal Securities"), which Municipal Securities are held pursuant to such trust or similar agreement for the benefit of the holders of such Certificates; provided, however, that the holders of such Certificates are entitled to rely on an opinion of counsel rendered by a nationally recognized tax counsel that interest received on the Certificates by such holders is excluded from gross income for federal income tax purposes under the Code and is not treated as an item of tax preference for purposes of the alternative minimum tax and is not subject to any similar tax under the Code, unless all tax-exempt bonds are subject to such tax.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

"Net Revenues" means the Revenues less Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means the Authority’s expenses for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Airport System and shall include, without limiting the generality of the foregoing, administrative expenses, insurance premiums, legal and engineering expenses, payments to pension, retirements, group life insurance, health and hospitalization funds, or other employee benefit funds, and any other expenses required to be paid by the Authority under the provisions of this Resolution or by law or consistent with standard practices for airports similar to the properties and business of the Airport System and applicable in the circumstances, the expenses, liabilities and compensation of the Fiduciaries required to be paid under this Resolution and all to the extent properly attributable to the Airport System. “Operation and Maintenance Expenses” shall not include any capital expense, depreciation expense, or any other operation or maintenance expense funded by Special Purpose Facility Debt of funded by any source other than Revenues.

“Operation and Maintenance Fund” means the Airport Facilities Operation and Maintenance Fund established by Section 402.

“Operation and Maintenance Reserve Account” means the Operation and Maintenance Reserve Account established within the Operation and Maintenance Fund by subsection 3 of Section 408.

“Passenger Facility Charges” or “PFCs” means the passenger facility charges authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990, as amended (now codified in Section 40117 of the United States Code), and Section 158.5 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“PFC Revenues” means amounts derived by the Authority from the imposition of PFCs, exclusive of the amounts retained by the air carriers collecting the PFCs pursuant to Section 158.53 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“Rating Agency” means as of any time, and to the extent it is then providing or maintaining a rating on Bonds outstanding hereunder at the request of the Authority, Fitch, Moody’s, S&P, or any other Nationally Recognized Statistical Ratings Organization.

“Revenues” means

(i) all income and revenues from all sources, collected or received by the Authority in the operation of the Airport System, including without limitation except as herein expressly provided, all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof;

(ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System’s benefit which are lawfully available for the

A-6

payment of debt service with respect to any Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness, or payment of Operation and Maintenance Expenses;

(iii) income received on any investment of moneys held pursuant to the Resolution and paid into the Revenue Fund pursuant to the terms of the Resolution;

(iv) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to the Airport System or activities or undertakings related thereto; and

(v) Special Purpose Facility Revenues, to the extent designated as Revenues by Supplemental Resolution.

The term “Revenues” shall not include:

(a) any revenue or income from Orlando Executive Airport or any additions, extensions or improvements thereto unless Orlando Executive Airport is added to the Airport System as provided in the definition of “Airport System”;

(b) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System’s benefit which are not lawfully available for the payment of Operation and Maintenance Expenses or payment of debt service with respect to any Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(c) insurance proceeds, to the extent used by the Authority to repair or replace damaged property or to the extent the use of such proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of Operation and Maintenance Expenses or the payment of debt service with respect to Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(d) any Transfers;

(e) any Released Revenues;

A-7

(f) any unrealized gains on securities held for investment by or on behalf of the Authority;

(g) any gains resulting from changes in valuation of any Qualified Derivative Agreement;

(h) any unrealized gains from the write-down, reappraisal or revaluation of assets;

(i) the proceeds of Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(j) Passenger Facility Charges;

(k) Customer Facility Charges;

(l) investment income derived from any moneys or securities which may be placed in escrow or trust to defease Bonds, Subordinated Indebtedness or Secondary Subordinated Indebtedness;

(m) Subordinated Pledged Revenues;

(n) cash subsidy payments or similar payments made by the U.S. Treasury or other federal or State governmental entity to or on behalf of the Authority for payment coming due on the Bonds or any portion thereof;

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(o) any arbitrage earnings which are required to be paid to the United States of America pursuant to Section 148 of the Code;

(p) interest earnings or other investment earnings on any Account in the Construction Fund established by any Supplemental Resolution unless otherwise provided in such Supplemental Resolution; and

(q) Special Purpose Facility Revenues, except as otherwise provided by Supplemental Resolution.

“Standard & Poor’s” or “S&P” means Standard & Poor’s, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

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APPENDIX B

EXCERPTS OF THE SENIOR BOND RESOLUTION

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APPENDIX B

EXCERPTS FROM

THE BOND RESOLUTION

Included in this Appendix B are excerpts from the Authority’s Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando Florida, adopted June 24, 2015 and effective July 31, 2015. A complete copy of the resolution is available upon request from the Authority’s Chief Financial Officer, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399

TABLE OF CONTENTS

	PAGE
ARTICLE I DEFINITIONS AND INTERPRETATION	3
SECTION 101. Definitions	3
ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS	20
SECTION 204. Additional Bonds	20
SECTION 205. Refunding Bonds	22
ARTICLE IV ESTABLISHMENT OF FUNDS AND APPLICATION	
THEREOF	24
SECTION 401. The Pledge Effected by the Resolution.....	24
SECTION 405. Deposit of Revenues	25
SECTION 411. Discretionary Fund	28
SECTION 414. Subordinated Indebtedness	30
SECTION 415. Application of Supplemental Revenues.....	30
ARTICLE VII PARTICULAR COVENANTS OF THE AUTHORITY	30
SECTION 701. Effect of Covenants	30
SECTION 702. Payment of Principal, Premium, if any, and Interest	30
SECTION 703. Extension of Payment of Bonds and Coupons.....	31
SECTION 704. Offices for Servicing Bonds	31
SECTION 705. Further Assurance	31
SECTION 706. Powers as to Bonds and Pledge	31
SECTION 707. Powers as to the Airport System and Collection of Rates, Fees and Rentals.....	32
SECTION 708. Indebtedness and Liens	32
SECTION 709. Sale, Lease or Encumbrance of Property	32
SECTION 710. Operation, Maintenance and Reconstruction	33
SECTION 711. Rates and Charges	33

SECTION 712. Insurance	34
SECTION 713. Condemnation	34
SECTION 714. Airport Consultant	34
SECTION 715. Consulting Engineers.....	34
SECTION 716. Annual Budget	34
SECTION 717. Accounts and Reports.....	35
SECTION 721. Covenants With Respect to Airports and Aviation Facilities.....	36
SECTION 722. Special Purpose Facilities	37
SECTION 723. Fulfillment of Conditions Precedent	37
SECTION 724. Payment of Lawful Charges	38
SECTION 725. Compliance with Law.....	38
SECTION 726. Covenants With Respect to PFCs	38
ARTICLE VIII REMEDIES OF BONDHOLDERS	39
SECTION 801. Events of Default.....	39
SECTION 802. Accounting and Examination of Records After Default.....	40
SECTION 803. Application of Revenues and Other Moneys After Default	40
SECTION 804. Proceedings Brought By Trustee	42
SECTION 805. Restriction on Bondholder's Action	43
SECTION 806. Remedies Not Exclusive.....	44
SECTION 807. Effect of Waiver and Other Circumstances.....	44
SECTION 808. Notice of Default.....	44
ARTICLE X SUPPLEMENTAL RESOLUTIONS	45
SECTION 1001. Supplemental Resolutions Effective Upon Filing With the Trustee	45
SECTION 1002. Supplemental Resolutions Effective Upon Consent of Trustee.	46
SECTION 1003. Supplemental Resolutions Effective With Consent of Bondholders	46
SECTION 1004. General Provisions	46

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 101. Definitions. In this Resolution unless a different meaning clearly appears from the context:

“Accountant’s Certificate” means a certificate signed by an independent certified public accountant or a firm of certified public accountants selected by the Authority, who may be the accountant or firm of accountants who regularly audit the books of the Authority.

“Accreted Value” means the accreted value of the Capital Appreciation Bonds, on the date of calculation, including the original principal amount or discounted principal value (original offering price) thereof, plus interest or principal accreted thereon to the date of calculation, as determined by reference to the accreted value tables contained or referred to in each such Bond.

“Accrued Aggregate Debt Service” means, as of any date of calculation, an amount equal to the sum of (i) interest on the Bonds of all Series, other than Capital Appreciation Bonds, accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for all Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month. With respect to Variable Rate Bonds, the interest rate for the remainder of the then current calendar month shall, for purposes of this definition, be assumed to be the interest rate in effect as of the date of calculation.

“Act” means the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida 1957, as amended.

“Additional Bonds” means Bonds authenticated and delivered pursuant to Section 204, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or 1106.

“Additional Project” means the acquisition and construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements and betterments to and reconstructions of the Airport System to be financed, in whole or in part, from the proceeds of any Additional Bonds issued pursuant to the provisions of Section 204.

“Aggregate Debt Service” means, as of any particular date of computation and with respect to any period, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds.

“Airport Consultant” means the airport consultant or airport consulting firm or corporation at the time retained by the Authority pursuant to Section 714 to perform the acts and carry out the duties provided for such Airport Consultant in this Resolution.

“Airport Improvement and Development Plan” means the plan prepared annually and modified as necessary by the Authority, detailing all of the Authority’s proposed capital additions and improvements to the Airport System for a five-year period.

“Airport System” means (i) the Orlando International Airport owned by the City and operated by the Authority, including all improvements and facilities now in existence, as said Airport may be hereafter added to, extended, improved or constructed and equipped, and (ii) any other aviation facility or airport acquired or constructed by the Authority; provided that, the Airport System shall not include Orlando Executive Airport (formerly known as Herndon Airport) or any additions, extensions or improvements thereto, unless (a) the Authority shall by Supplemental Resolution, expressly add Orlando Executive Airport to the Airport System, and (b) shall deliver to the Trustee (1) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding hereunder that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (2) the written consent of any bond insurers or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder. “Airport System” shall also include Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations. However, “Airport System” shall not include any airport or aviation facility thereafter acquired or constructed by the Authority with funds other than the proceeds of Bonds issued under the Resolution or revenues generated by the Airport System.

“Annual Budget” means the annual budget of the Authority, as amended or supplemented, adopted or in effect for a particular Fiscal Year as provided in Section 716.

“Authority” means the Greater Orlando Aviation Authority created pursuant to the Act as an agency of the City, and any board or commission succeeding to the principal functions thereof or upon whom the powers conferred by the Act to said Authority shall be given by law. As used herein, the term Authority means the Greater Orlando Aviation Authority, acting on behalf of itself and the City.

“Authorized Newspapers” means both a newspaper or financial journal customarily published at least once a week, printed in the English language and of general circulation in the City, and a newspaper or financial journal customarily

published at least once a day for at least five days (other than legal holidays) in each week, printed in the English language and of general circulation in The City of New York, New York.

“Authorized Officer of the Authority” means the Chairman, the Vice-Chairman, the Treasurer or the Secretary of the Board, or any other officer or employee of the Authority authorized by resolution of the Authority to perform specific acts or duties related to the subject matter of the authorization.

“Authorized Officer of the City” means the Mayor of the City, the City Clerk, or any other officer or employee of the City authorized by resolution of the City Council to perform specific acts or duties related to the subject matter of the authorization.

“Available PFC Revenues” means PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times the Debt Service accruing during such period with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority.

“Board” means the Greater Orlando Aviation Authority Board, the governing body of the Authority.

“Bond” or “Bonds” means any bond or bonds, as the case may be, authenticated and delivered pursuant to the Resolution.

“Bond Fund” means the Airport Facilities Bond Fund established by Section 402.

“Bondholder” or “Holder of Bonds” or any similar term means any person who shall be the bearer of any coupon Bond or Bonds or the registered owner of any Bond or Bonds without coupons.

“Bond Obligation” means as of the date of computation, the sum of: (i) the principal amount of all Bonds then Outstanding other than Capital Appreciation Bonds, and (ii) the Accreted Value of all Capital Appreciation Bonds then Outstanding.

“Bond Proceeds” means all amounts received on the sale of a Series of Bonds.

“Bond Registrar” means the Trustee and any other bank or trust company organized under the laws of any state or national banking association appointed by the Authority to perform the duties of Bond Registrar enumerated in Section 704.

“Capital Appreciation Bonds” means Bonds that bear interest at a compounded rate which is payable only at maturity or upon prior redemption thereof or Bonds issued at a discount from par value that bear no stated interest and appreciate in value over time.

“Capital Expenditures Fund” means the Airport Facilities Capital Expenditures Fund established by Section 402.

“City” means the City of Orlando, Florida, a municipal corporation in the County of Orange, State of Florida.

“City Council” means the City Council of the City and any successor body.

“Composite Reserve Requirement” means an amount of money or available amount under one or more Reserve Products, or a combination thereof, equal to the lesser of (i) the Maximum Aggregate Debt Service calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount, (ii) 125% of the average annual Aggregate Debt Service calculated with respect to all Series of Bonds outstanding hereunder that are secured by the Composite Reserve Subaccount, or (iii) 10% of the aggregate stated principal amount of all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount; provided, however, that in determining the aggregate stated original principal amount of all Bonds Outstanding hereunder for purposes of (iii), the issue price of a Series (net of pre-issuance accrued interest) shall be substituted for the original principal stated amount of that Series if the Series was sold at either an original issue discount or premium exceeding two percent (2%) of the stated redemption price at maturity of such Series.

“Composite Reserve Subaccount” means the subaccount in the Debt Service Reserve Account established pursuant to Section 402.

“Construction Fund” means the Airport Facilities Construction Fund established by Section 402.

“Consulting Engineers” means the engineer or engineering firm or corporation at the time retained by the Authority pursuant to Section 715 to perform the acts and carry out the duties provided for such Consulting Engineers in this Resolution.

“Cost of Construction,” with respect to any Additional Project, means the Authority’s costs properly attributable to the construction or acquisition thereof, including but not limited to, the cost of acquisition by or for the Authority of real or personal property or other interest therein, costs of physical construction, and costs of the Authority incidental to such construction or acquisition, the cost of any

indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, cost of audits, fees and expenses of the Fiduciaries and costs of financing, administrative and general overhead and keeping accounts and making reports required by the Resolution prior to commencement of operation of such Additional Project, amounts, if any, required by the Resolution to be paid into any Fund or Account established under the Resolution upon the issuance of any Series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than the Bonds) incurred for such Additional Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Additional Project, and may include reimbursement to the Authority for any such items of Cost of Construction theretofore paid by or on behalf of the Authority.

“Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys (who may be counsel or of counsel to the Authority) selected by the Authority and satisfactory to the Trustee.

“Debt Service” for any period means, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series (other than Capital Appreciation Bonds), except to the extent that such interest is to be paid from deposits (including investment income thereon) in the Debt Service Account made from Bond Proceeds or other amounts available therein, and (ii) that portion of each Principal Installment for such Series of Bonds, which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of such Series, whichever is later). Such interest and Principal Installment for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

Except as otherwise provided herein, for purposes of calculating Debt Service with respect to Variable Rate Bonds, Variable Rate Bonds other than Taxable Bonds shall be assumed to bear interest at 125% of the Tax-Exempt Variable Rate Index as of the date of calculation and Variable Rate Taxable Bonds shall be assumed to bear interest at the Taxable Variable Rate Index as of the date of calculation.

If a Series of Variable Rate Bonds is subject to purchase by the Authority pursuant to a mandatory or optional tender by the holder, the “tender” date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation.

The interest rate for Variable Rate Bonds for purposes of determining the amount, if any, to be deposited into a subaccount in the Reserve Account for such Variable Rate Bonds shall be as required by the Supplemental Resolution authorizing the issuance of such Variable Rate Bonds; provided, however, that if no other assumption is provided, the assumptions provided above shall apply.

Other than for purposes of Section 1201 hereof, if, with respect to any portion of Debt Service, the Authority enters into a Qualified Derivative Agreement providing for Qualified Derivative Payments to the Authority which are pledged to the payment of Debt Service in an amount equal to interest on a notional amount equal to the principal portion of such Debt Service (which may include the principal of all or a portion of one or more Series of Bonds), based upon a fixed rate or a variable rate index or formula different from that used to calculate interest on the principal portion of such Debt Service, then the effective synthetic rate of interest to the Authority with respect to such principal portion of Debt Service taking into account (i) the actual interest rate borne by such principal portion of Debt Service, (ii) payments to be received by the Authority pursuant to such Qualified Derivative Agreement and (iii) payment obligations of the Authority to the counterparty under such Qualified Derivative Agreement, all based upon interest on such notional amount as determined by reference to a fixed rate or variable rate index or formula, shall be used for purposes of this definition as the actual rate of interest with respect to such principal portion of Debt Service.

If two Series of Variable Rate Bonds, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds taken as a whole, such composite fixed rate shall be used in determining the Debt Service with respect to such Bonds.

With respect to Designated Maturity Bonds, the unamortized principal coming due on the final maturity date thereof shall be ignored and in lieu thereof there shall be added to the Debt Service for the Bond Year in which such final maturity occurs and to each Bond Service Year thereafter through the 30th anniversary of the issuance of such Bonds (the "Reamortization Period") the amount of substantially level principal and interest payments (assuming for such purposes such interest rate as a financial advisor selected by the Authority and having national experience in the pricing of municipal bonds shall determine is a reasonable estimate of the rate that such Designated Maturity Bonds would bear based upon such Reamortization Period and the characteristics of such Designated Maturity Bonds) that if paid in each year during the Reamortization Period would be sufficient to pay in full the unamortized portion of such Designated Maturity Bonds by such anniversary.

"Debt Service Account" means the Airport Facilities Debt Service Account established within the Bond Fund by Section 402.

“Debt Service Reserve Account” means the Debt Service Reserve Account established within the Bond Fund by Section 402.

“Debt Service Reserve Requirement” means, with respect to the Composite Reserve Subaccount, the Composite Reserve Requirement; and with respect to each Series of Bonds issued hereunder that is not secured by the Composite Reserve Subaccount, the amount of money, if any, or available amount of Reserve Product, if any, or any combination thereof, required by Supplemental Resolution adopted prior to the issuance of such Series of Bonds to be maintained in the subaccount in the Reserve Account with respect to such Series of Bonds pursuant to Section 405-1(3) hereof, as applicable, which will not cause any existing rating on any Bonds or Series of Bonds Outstanding hereunder to be lowered, suspended or withdrawn, and which amount shall be available for use only with respect to such Series of Bonds.

“Depository” means any bank or trust company qualified under Section 601, selected by the Authority pursuant to the Resolution and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of the Resolution, and may include the Trustee.

“Designated Maturity Bonds” means Bonds of a Series designated as such by Supplemental Resolution adopted in connection with the issuance thereof, for which either (i) no serial maturities or Sinking Fund Installments prior to the maturity thereof have been established, or (ii) the aggregate of such serial maturities and Sinking Fund Installments that have been established is less than the amount necessary to amortize such Bonds on a substantially level debt service basis.

“Discretionary Fund” means the Airport Facilities Discretionary Fund established by Section 402.

“Event of Default” shall have the meaning given to such term in Section 801.

“Exempt Costs” means amounts qualifying as costs of exempt facilities under Section 103(b)(4) of the Internal Revenue Code of 1954, as amended and the Treasury Regulations in effect thereunder, which are properly chargeable to the exempt facility’s capital account or would be so chargeable with a proper election by the Authority or would have been so chargeable but for an election to treat such amounts as current expenses.

“FAA” means the Federal Aviation Administration, or any successor agency of the Federal Government performing the same or similar functions.

“FAA Regulations” means the regulations of the FAA contained in Title 14, Part 158, Code of Federal Regulations, as amended from time to time, pertaining to the imposition, collection and use of PFCs.

“Fiduciary” means the Trustee, Special Trustee and any Paying Agent, or any or all of them as may be appropriate.

“Fiscal Year” means the then current annual accounting period of the Authority for its general accounting purposes which period, at the time of the adoption of the Resolution, is the period of twelve consecutive calendar months ending with the last day of September of any year.

“Fitch” means Fitch Investors Service, L.P., a limited partnership organized and existing under the laws of the State of New York, its successors and assigns and, if such entity shall no longer perform the function of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Improvement and Development Fund” means the Airport Facilities Improvement and Development Fund established by Section 402.

“Investment Securities” means any of the following securities, if and to the extent the same are at the time legal for investment of moneys and funds held under the Resolution:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency to the extent such obligations are unconditionally guaranteed by the United States of America (“United States Obligations”);

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or notes issued by public agencies or municipalities and fully secured as to the payment of both

principal and interest by a requisition or payment agreement with the United States of America;

(iv) negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including any Depositary or Paying Agent), provided that such certificates of deposit must be purchased directly from such bank, trust company or national banking association and must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national banking association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured must furnish the Authority with an undertaking satisfactory to the Authority that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association secured by any one or more of the securities described in clauses (i), (ii) or (iii) above;

(vi) pre-refunded obligations of any state or of any agency, instrumentality or local governmental unit of any such state meeting the following conditions:

(A) the obligations are not to be redeemed prior to maturity or the fiduciary for such obligations has been given irrevocable instructions concerning their calling and redemption;

(B) the obligations are secured by cash or United States Obligations that may be applied only to interest, principal and redemption premium payments of such obligations;

(C) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) have been verified by an independent certified public accountant as being sufficient to pay the principal of, redemption premium, if any, and interest on such obligations on the maturity dates or redemption dates specified in the irrevocable instructions referred to in clause (A) above;

(D) the United States Obligations and cash serving as security for the obligations are held by an escrow agent or trustee;

(E) the United States Obligations and cash are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(F) the obligations are rated in the highest rating category by Moody's and S&P;

(vii) units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to applicable state law as a legal depository of public moneys;

(viii) commercial paper rated in the highest category by S&P and Moody's;

(ix) interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida, in savings and loan associations located in Florida and organized under federal law and under federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(x) direct general obligations of any state of the United States of America or any political subdivision, agency or municipality thereof whose unsecured, uninsured or unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P, or any obligation fully and unconditionally guaranteed by any such state, political subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated at

the time of purchase, “A” or better by Moody’s and “A” or better by S&P;

(xi) tax-exempt revenue bond obligations of any state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof rated at the time of purchase at least “Aa” by Moody’s and at least “AA” by S&P;

(xii) any certificates, receipts or similar instruments (“Certificates”) which were issued by or pursuant to a trust or similar arrangement and which evidence ownership or the right to receive payments of principal or interest or any securities (a) issued by a state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof and (b) meeting the requirements set forth in clauses (iii), (vi), (x) or (xi) above (“Municipal Securities”), which Municipal Securities are held pursuant to such trust or similar agreement for the benefit of the holders of such Certificates; provided, however, that the holders of such Certificates are entitled to rely on an opinion of counsel rendered by a nationally recognized tax counsel that interest received on the Certificates by such holders is excluded from gross income for federal income tax purposes under the Code and is not treated as an item of tax preference for purposes of the alternative minimum tax and is not subject to any similar tax under the Code, unless all tax-exempt bonds are subject to such tax; and

(xiii) such other investments as the Authority is permitted to make with general funds of the Authority.

“Issuing Instrument” means, with respect to Subordinated Indebtedness described in Section 414 hereof, the indenture, trust agreement, loan agreement, lease, installment purchase agreement, revolving credit agreement, or other instrument or agreement pursuant to which such obligations are issued or incurred.

“Maturity Amount” means the amount payable at maturity of a Capital Appreciation Bond consisting of the original principal amount thereof or discounted principal value (original offering price) and interest or principal accreted thereon to the maturity date thereof, as determined by reference to the accreted value tables contained or referred to in such Bond.

“Maximum Aggregate Debt Service” means, as of any date of calculation, an amount equal to the greatest amount of Aggregate Debt Service for the current or any future Fiscal Year.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Net Revenues” means the Revenues less Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means the Authority’s expenses for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Airport System and shall include, without limiting the generality of the foregoing, administrative expenses, insurance premiums, legal and engineering expenses, payments to pension, retirements, group life insurance, health and hospitalization funds, or other employee benefit funds, and any other expenses required to be paid by the Authority under the provisions of this Resolution or by law or consistent with standard practices for airports similar to the properties and business of the Airport System and applicable in the circumstances, the expenses, liabilities and compensation of the Fiduciaries required to be paid under this Resolution and all to the extent properly attributable to the Airport System. “Operation and Maintenance Expenses” shall not include any capital cost or any allowance for depreciation or any operation or maintenance costs for Special Purpose Facilities; provided, however, that “Operation and Maintenance Expenses” shall include operation and maintenance costs incurred by the Authority with respect to any Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations.

“Operation and Maintenance Fund” means the Airport Facilities Operation and Maintenance Fund established by Section 402.

“Operation and Maintenance Reserve Account” means the Operation and Maintenance Reserve Account established within the Operation and Maintenance Fund by subsection 3 of Section 408.

“Original Proceeds” means net amounts (after payment of all issuance expenses and underwriter’s discount) received by the Authority on the sale and delivery of a Series of Bonds.

“Outstanding” or “outstanding,” when used with reference to Bonds, means as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Resolution except (a) any Bond cancelled at or before said date, (b) any Bond (or portion of Bonds) for the payment or redemption of which moneys equal to the principal amount (or, with respect to Capital Appreciation Bonds, Maturity Amount) or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have

theretofore been deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with Article V or provision satisfactory to the Trustee shall have been made for the giving of such notice, (c) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 506 or Section 1106, and (d) any Bond deemed to have been paid as provided in subsection 2 of Section 1201.

“Paying Agent” means any bank or trust company designated by the Authority as paying agent for the Bonds of any Series, and its successor or successors hereafter appointed in the manner provided in the Resolution.

“PFC Account” means the PFC Account established in the Discretionary Fund by Section 402.

“PFCs” or “Passenger Facility Charges” means the passenger facility charges authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990, as amended (now codified in Section 40117 of the United States Code), and Section 158.5 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“PFC Projects” means Additional Projects for which the Authority is authorized to impose and use PFCs, as confirmed by a Counsel’s Opinion.

“PFC Revenues” means amounts derived by the Authority from the imposition of PFCs, exclusive of the amounts retained by the air carriers collecting the PFCs pursuant to Section 158.53 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“Principal Installment” means, as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (i) the principal amount of Bonds of such Series (other than the Capital Appreciation Bonds) and the Maturity Amount of the Capital Appreciation Bonds of such Series, in each case, due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in subsection 5 of Section 411 or Section 504) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount, or Accreted Value with respect to Capital Appreciation Bonds, equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds other than Capital Appreciation Bonds and the Maturity Amount of Capital Appreciation Bonds and of such

unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any, for such Bonds.

“Qualified Derivative Agreement” means an agreement such as an interest rate swap, collar, cap, or other functionally similar agreement the purpose of which is to manage the effective interest cost on the Authority’s outstanding debt, between the Authority and a counterparty whose long-term unsecured debt is at all times rated at least “A” or the equivalent by S&P and “A2” or the equivalent by Moody’s, creating Qualified Derivative Payments and designated by the Authority as a Qualified Derivative Agreement for purposes of this Airport Facilities Revenue Bond Resolution. In the event the credit rating of the counterparty to a Qualified Derivative Agreement is reduced below such rating categories, such agreement shall no longer constitute a Qualified Derivative Agreement for purposes hereof.

“Qualified Derivative Payment” means a payment to the Authority by a counterparty pursuant to a Qualified Derivative Agreement, the amount of which is equal to interest on a notional amount, based upon a fixed rate or a variable rate index or formula.

“Rating Agency” means as of any time, and to the extent it is then providing or maintaining a rating on Bonds outstanding hereunder at the request of the Authority, Fitch, Moody’s, S&P, or any other nationally recognized rating agency.

“Redemption Price” means, with respect to any Bond, the principal amount or, with respect to Capital Appreciation Bonds, the Accreted Value to the redemption date of such Bond, plus (in either case) the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to Section 205, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or 1106.

“Renewal and Replacement Fund” means the Airport Facilities Renewal and Replacement Fund established by Section 402.

“Reserve Product” means bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Composite Reserve Subaccount or any other subaccount in the Reserve Account and meeting the terms and conditions of Section 405-1(3) of this Resolution, as applicable.

“Reserve Product Provider” means a bond insurance provider or a bank or other financial institution providing a Reserve Product, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of and interest on bond issues by

public entities, at the time such Reserve Product is obtained, results in such issues (as of the date such Reserve Product is delivered) being rated in one of the two highest full rating categories by each of the Rating Agencies; provided, however, that nothing herein shall require the Authority to obtain a rating on any Bonds issued under this Resolution.

“Resolution” means this Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, as the same may from time to time be amended or supplemented by a Supplemental Resolution in accordance with the terms hereof.

“Revenue Fund” means the Airport Facilities Revenue Fund established by Section 402.

“Revenues” means

(i) all income and revenues from all sources, collected or received by the Authority in the operation of the Airport System, including without limitation except as herein expressly provided, all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof;

(ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System’s benefit which are: (a) not restricted in application to a special purpose, and (b) otherwise lawfully available for the payment of charges with respect to the Bonds;

(iii) income received on any investment of moneys held pursuant to the Resolution and paid into the Revenue Fund pursuant to the terms of the Resolution; and

(iv) Available PFC Revenues for the applicable period.

The term “Revenues” shall not include any revenue or income from Orlando Executive Airport or any additions, extensions or improvements thereto unless Orlando Executive Airport is added to the Airport System as provided in the definition of “Airport System.” “Revenues” shall include the revenue or income from Special Purpose Facilities but only to the extent such revenue or income is not

pledged to the payment of obligations of the Authority issued to finance such Facilities. The term “Revenues” shall include PFC Revenues only to the extent they constitute Available PFC Revenues for the applicable period.

“Series” means all Bonds, including Additional Bonds, authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 506, or Section 1106, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

“Sinking Fund Installment” means, an amount so designated which is established pursuant to paragraph (2)(h) of subsection 1 of Section 202.

“Special Purpose Facilities” means any capital improvements or facilities acquired or constructed by the Authority from funds other than Revenues or obligations payable from Revenues and located or to be located on any property included under the definition of Airport System.

“Special Trustee” means the special trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“Standard & Poor’s” or “S&P” means Standard & Poor’s, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Subordinated Indebtedness” means any evidence of debt referred to in, and complying with the provisions of, Section 414.

“Subordinated Pledged Revenues” means, with respect to Subordinated Indebtedness described in Section 414 hereof, such moneys and income which shall be pledged to payment of Subordinated Indebtedness, other than Revenues.

“Supplemental Resolution” means any resolution of the Authority amending or supplementing the Resolution and adopted and becoming effective in accordance with the terms of Article X.

“Supplemental Revenues” means any source of funds not constituting Revenues hereunder irrevocably pledged to the payment of debt service on one or more series of Bonds outstanding hereunder by Supplemental Resolution and with respect to which there has been delivered to the Trustee (a) an opinion of Bond Counsel to the effect that the pledging of such source of Supplemental Revenues

shall not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds outstanding hereunder that are not Taxable Bonds, (b) the written consent of any bond insurer or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder, and (c) confirmation from the Rating Agencies that the pledging of such source of Supplemental Revenues will not result in the reduction or withdrawal of the credit ratings assigned to the Bonds, or, if unrated and non-credit enhanced, then consent of the owners of not less than a majority of such unrated, non-credit enhanced Bond Obligation.

“Tax Exempt Variable Rate Index” means the average of the PSA Municipal Swap Index for the twelve (12) months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, or, if such index is no longer published, the Tax Exempt Variable Rate Index shall be determined in accordance with such formula or index or in such manner as the Authority shall in good faith determine will provide substantially the same rate and, if the Authority has Bonds outstanding hereunder rated by the Rating Agencies, then with respect to which the Authority receives confirmation from such Rating Agencies that the calculation of the Tax Exempt Variable Rate Index in such manner will not result in a reduction or withdrawal of the then applicable rating on the Bonds.

“Taxable Bonds” means Bonds the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the owners thereof for federal income tax purposes.

“Taxable Variable Rate Index” means the average yield on 30-day United States Treasury Bills for the twelve (12) calendar months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, plus fifty (50) basis points.

“Trustee” means the trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“Variable Rate Bonds” means Bonds issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 204. Additional Bonds.

1. **[Deleted]**

2. One or more Series of Additional Bonds may be authorized and delivered upon original issuance for the purpose of paying the Cost of Construction of any Additional Project. The Bonds of any such Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of:

(1) A certificate of an Authorized Officer of the Authority setting forth (i) for any period of 12 consecutive calendar months out of the 30 calendar months next preceding the authentication and delivery of such Series, the Net Revenues for such 12-month period, (ii) the Supplemental Revenues, if any (not to exceed 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues), for such 12-month period, and (iii) the Aggregate Debt Service of the Outstanding Bonds (including the Aggregate Debt Service with respect to each series of Bonds secured by Supplemental Revenues), for such 12-month period, and demonstrating that for such 12-month period Net Revenues, plus any Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on the Series of Bonds secured thereby, equaled at least 1.25 times the Aggregate Debt Service of the Outstanding Bonds;

(2) A report of the Consulting Engineers setting forth (i) the estimated substantial completion and placed in service date for the Additional Project for which such Series of Additional Bonds is being issued and for any other uncompleted Project, and (ii) an estimate of the Cost of Construction of such Additional Project and of any other uncompleted Project and any other Additional Project (an "Anticipated Additional Project") as to which the Authority expresses, by a certificate of an Authorized Officer of the Authority, its intention and reasonable expectation to undertake prior to the end of the Fiscal Year following the Fiscal Year in which the completion date described in clause (i) is estimated to occur by the Consulting Engineers; and

(3) A report of the Airport Consultant setting forth for each of the three (3) Fiscal Years following the Fiscal Year in which the Consulting Engineers estimate such Additional Project will be substantially completed

and placed in service pursuant to clause (i) of paragraph (2) above, estimates, taking into account the effect of any Anticipated Additional Project, of (i) Net Revenues, and Supplemental Revenues, if any, (ii) amounts to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, and (iii) the Aggregate Debt Service (including Aggregate Debt Service for each Series of Bonds secured by Supplemental Revenues) of Outstanding Bonds, and, as estimated by an Authorized Officer of the Authority, with respect to future Series of Bonds, if any, which such Authorized Officer shall estimate (based on the estimate of the Consulting Engineers of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project) will be required to complete payment of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project, for each of the three (3) Fiscal Years following the Fiscal Year in which the Additional Project is estimated by the Consulting Engineers to be completed as provided in clause (i) of paragraph (2) above, and demonstrating that the estimated Net Revenues in each of the Fiscal Years set forth in clause (i) above less the sum of the amounts to be deposited in certain funds and accounts in each such Fiscal Year set forth in clause (ii) above, and plus the estimated Supplemental Revenues in each of the Fiscal Years set forth in clause (i) above, not to exceed in any such Fiscal Year an amount equal to 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues, is at least equal to 1.25 times the Aggregate Debt Service of the Outstanding Bonds for the corresponding Fiscal Year as set forth in clause (iii) above.

3. The proceeds, including accrued interest, of the Additional Bonds of each Series shall be applied simultaneously with the delivery of such Bonds in accordance with the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

4. The Supplemental Resolution authorizing a Series of Additional Bonds may provide that the holder of any Bond of such Series may demand payment of principal and interest from the Authority within a stated period after delivering notice to a designated agent for the Authority and providing a copy of the notice with the tender of the Bond to such agent and may provide that under certain circumstances the Holder thereof may be required to tender its Bond for purchase. The designated agent for the Authority, in accordance with the terms of a remarketing or replacement agreement, may provide for the resale or redelivery of the Bonds on behalf of the Authority at a price provided for in the agreement. If the Bonds shall not be resold or redelivered within a stated period, the agent for the Authority may be authorized to draw upon a previously executed credit or liquidity

agreement between the Authority and one or more banks or other financial or lending institutions permitting the Authority to borrow for payment of the purchase price of the Bonds to which such credit agreement shall pertain. The particular form or forms of such demand provisions, the period or periods for payment of principal and interest after delivery of notice, the appointment of the agent for the Authority, the terms and provisions of the remarketing or replacement agreement, and the terms and provisions of the credit or liquidity agreement shall be as designated by a Supplemental Resolution of the Authority adopted prior to the sale of the applicable Series of Bonds.

Unless otherwise provided by Supplemental Resolution adopted prior to the issuance of the applicable Series of Bonds, a purchase of Bonds by or through a remarketing agent, trustee, auction agent, credit facility provider or the Authority pursuant to an optional or mandatory tender shall not be deemed a redemption of such Bonds and will not be deemed to extinguish or discharge the indebtedness evidenced by such Bonds. Any Bonds purchased by or on behalf of the Authority pursuant to an optional or mandatory tender shall be purchased with the intent that the indebtedness evidenced by such Bonds shall not be extinguished or discharged; such indebtedness shall not be extinguished or discharged and such Bonds shall remain outstanding hereunder unless and until such Bonds are delivered to the Trustee or Paying Agent therefor for cancellation.

SECTION 205. Refunding Bonds.

1. One or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund (a) all Outstanding Bonds of one or more Series or all or any portion of one or more maturities within a Series, or (b) any Subordinated Indebtedness. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the Funds under the Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

2. Refunding Bonds of each Series issued to refund one or more Series of Outstanding Bonds, or one or more maturities, or any portion of a maturity, within a Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on a redemption date specified in such instructions;

(2) If the Bonds to be refunded are not by their terms subject to redemption within the next succeeding 60 days, irrevocable

instructions to the Trustee, satisfactory to it, to make due publication of the notice provided for in Section 1201 to the Holders of the Bonds and coupons being refunded;

(3) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) Investment Securities in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection 2 of Section 1201 and any moneys required pursuant to said subsection 2, which Investment Securities and moneys shall be held in trust and used only as provided in said subsection 2;

(4) Either of the following: (i) a certificate of an Authorized Officer of the Authority setting forth (1) the Aggregate Debt Service through the date of the latest maturity of any Bonds of any Series then Outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth pursuant to (B) above is no greater than that set forth pursuant to (A) above; or (ii) the certificates required by subsection 2 of Section 204 evidencing that such Series of Refunding Bonds meets the tests provided for by such subsection 2 considering, for all purposes of such certificate and tests, that such Series of Refunding Bonds is a Series of Additional Bonds.

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such Funds and Accounts under the Resolution as shall be provided in the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof and shall be applied to the refunding purposes thereof in the manner provided in said Supplemental Resolution.

3. Each Series of Refunding Bonds issued pursuant to clause (b) of subsection 1 of this Section to refund any outstanding Subordinated Indebtedness shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the documents, securities and moneys required by Section 202) of:

(1) Each of the documents referred to in subsection 2 of Section 204, provided that in the event that an Additional Project for

which such Subordinated Indebtedness was incurred shall have been completed, (i) the required statement pertaining to the estimate of the completion date thereof shall no longer be applicable and (ii) the period of time to be covered under the provisions of subparagraph (3) of subsection 2 of Section 204 shall be the three (3) Fiscal Years following the Fiscal Year in which such Series of Refunding Bonds are issued;

(2) A certificate of the Trustee then duly appointed or acting under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness, or of an Authorized Officer of the Authority if there shall be no such trustee, that (i) provision has been duly made for the redemption or payment at maturity of such Subordinated Indebtedness in accordance with the terms thereof, (ii) the pledge, if any, pursuant to Section 414 securing such Subordinated Indebtedness, and all other rights granted by such indenture, resolution or instrument shall have been discharged and satisfied, and (iii) such trustee or the paying agents for such Subordinated Indebtedness hold in trust the moneys required to effect such redemption or payment;

(3) A certificate of an Authorized Officer of the Authority stating that the Authority is not in default in the performance of any of the covenants in the Resolution; and

(4) A Counsel's Opinion to the effect that all actions required under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness to provide for the redemption or payment of such Subordinated Indebtedness have been taken.

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such Funds and Accounts under the Resolution as shall be provided in the Supplemental Resolution authorizing such Series or determining the terms and details thereof and shall be applied to refund such Subordinated Indebtedness, including expenses in connection therewith, in the manner provided in said Supplemental Resolution.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

SECTION 401. The Pledge Effected by the Resolution.

1. There are hereby pledged for the payment of the principal and Redemption Price of, and interest on, the Bonds, in accordance with their terms and

the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, (i) the proceeds of sale of the Bonds, (ii) all Revenues, and (iii) all Funds established by the Resolution, including the investments, if any, thereof, provided, however, that each of the separate subaccounts in the Reserve Account shall secure only those series of Bonds designated by Supplemental Resolution to be secured by such separate subaccount and provided further that any Supplemental Revenues deposited in the Debt Service Account shall only be available and used to pay the principal of and interest on the Bonds of the Series to which such Supplemental Revenues are pledged.

2. Such proceeds of sale of the Bonds, the Revenues, and the other moneys and securities hereby pledged shall immediately be subject to the lien of this pledge as set forth in subsection 1 hereof without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority or the City, irrespective of whether such parties have notice thereof.

SECTION 405. Deposit of Revenues.

1. All Revenues shall be promptly deposited by the Authority into the Revenue Fund. As soon as practicable in each month after the deposit of Revenues in the Revenue Fund but in any case no later than five (5) business days before the end of such month, the Special Trustee shall withdraw from the Revenue Fund and transfer to the Trustee or the Authority, as the case may be, for deposit in the following Funds or transfer to the entities described below in the following order of priority the amounts set forth below:

(1) To the Operation and Maintenance Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for Operation and Maintenance Expenses for the then current Fiscal Year as set forth in the then current Annual Budget;

(2) To the Bond Fund for credit to the Debt Service Account, if and to the extent required so that the balance in said Account shall equal the Accrued Aggregate Debt Service; provided that, for the purposes of computing the amount in said Account, there shall be excluded the amount, if any, set aside in said Account which was deposited therein from the proceeds of each Series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of such Series (or any Refunding Bonds issued to refund such Bonds), other than with respect to Capital Appreciation Bonds, to the last day of the then current calendar month;

(3) Except as otherwise provided below, to the Bond Fund for the credit of the applicable subaccounts in the Debt Service Reserve Account, an

amount, if and to the extent necessary, so that the balance in each subaccount shall equal the Debt Service Reserve Requirement with respect thereto;

(4) To the trustee, paying agent or holders of any Subordinated Indebtedness, such amount and at such times as shall be sufficient, taking into account any Subordinated Pledged Revenues, to pay the principal of and interest becoming due in the next succeeding month on any Subordinated Indebtedness, including any obligations to set aside or deposit moneys for future debt service payments, in the manner set forth in the Issuing Instrument(s) for the Subordinated Indebtedness;

(5) To the deposit to any debt service reserve account established by an Issuing Instrument for Subordinated Indebtedness such amount and at such times as shall be required by the terms of the Issuing Instrument;

(6) To the Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount which is equal to the difference between the sum on deposit in said Account at the beginning of the then Fiscal Year and one-sixth of the Operation and Maintenance Expenses for the then Fiscal Year as set forth in the then current Annual Budget;

(7) To the Capital Expenditures Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency;

(8) To the Renewal and Replacement Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, no deposit shall be required to be made into said Fund whenever and as long as uncommitted moneys in said Fund are equal to \$2,000,000 or such other greater amount as provided therefor by the Authority as necessary for the purposes of said Fund; and provided further that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency; and

(9) To the Discretionary Fund, any amount remaining after making the deposits required by clauses (1) through (8) above.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to make up any deficiencies or losses that may otherwise arise in such Fund and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Debt Service Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding hereunder secured by a subaccount in the Debt Service Reserve Account.

Notwithstanding anything herein to the contrary, the Authority shall not be required to fully-fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product Provider in an amount equal to the difference between the applicable Debt Service Reserve Requirement and the sums then on deposit in the applicable subaccount in the Reserve Account. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held hereunder for a payment with respect to the applicable Series of Bonds which cannot be cured by funds in any other account held pursuant to this Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof. If a disbursement is made from a Reserve Product as provided above, the Authority shall be obligated to reinstate the maximum limits of such Reserve Product immediately following such disbursement or to replace such Reserve Product by depositing into the applicable subaccount in the Debt Service Reserve Account from the first Revenues available for deposit pursuant to clause 1.(3) above after the deposits required by clauses 1.(1) and (2) above, funds in the maximum amount originally payable under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements made pursuant to such Reserve Product, or a combination of such alternatives, and for purposes of clause 1.(3), amounts necessary to satisfy such reimbursement obligation and other obligations of the Authority to such a Reserve Product Provider shall be deemed required deposits into the applicable subaccount in the Reserve Account, but shall be used by the Authority to satisfy its obligations to the Reserve Product Provider.

Also notwithstanding anything herein to the contrary, the Authority shall not be required to fund fully a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it elects by Supplemental

Resolution adopted prior to the issuance of any Series of Bonds and subject to the limits described below, to fully fund the applicable subaccount over a period specified in such Supplemental Resolution not to exceed sixty (60) months during which it shall make substantially equal monthly installments in order that the amount on deposit in such subaccount in the Debt Service Reserve Account at the end of such period shall equal the applicable Debt Service Reserve Requirement with respect thereto. The aggregate amounts which may be permitted to be deposited in installments at any time shall not exceed 75% of the applicable Debt Service Reserve Requirement with respect to such subaccount in the Debt Service Reserve Account. If a subaccount in the Debt Service Reserve Account is to be initially funded in installments, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to make the required monthly installments specified in the Supplemental Resolution, plus an amount necessary to make up any deficiencies caused by withdrawals or resulting from valuations of the funds on deposit therein.

2. At such time as the total amount held in the Debt Service Account and the Debt Service Reserve Account shall be sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal of, applicable sinking fund Redemption Price and interest thereon), no further deposits shall be required to be made into such Accounts and the Bonds shall no longer be deemed Outstanding pursuant to this Resolution.

SECTION 411. Discretionary Fund.

1. If at any time the moneys in the Debt Service Account and the Debt Service Reserve Account shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Discretionary Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

2. To the extent not required to meet a deficiency as required in subsection 1 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Discretionary Fund to the Operation and Maintenance Fund the amount necessary (or all moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. Amounts in the Discretionary Fund not required to meet a deficiency as required in subsections 1 and 2 of this Section may, at the discretion of the Authority and, with respect to amounts in the PFC Account, subject to subsection 6 below, be applied to any one or more of the following purposes:

(a) the purchase or redemption of any Bonds, and expenses in connection with the purchase or redemption of any such Bonds;

(b) payments of principal or redemption price of and interest on any Subordinated Indebtedness;

(c) payments into any separate account or accounts established in the Construction Fund for application in a manner consistent with the purposes of such account;

(d) improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport System or the provision of one or more reserves therefor; and

(e) any other corporate purpose of the Authority in connection with the Airport System;

provided that, subject to the provisions of subsection 1 and 2 of this Section, amounts deposited in the Discretionary Fund and required by the Resolution to be applied to the purchase or redemption of Bonds shall be applied to such purpose in such manner as the Authority shall determine.

4. Subject to the provisions of this Section and the terms of any pledge securing Subordinated Indebtedness pursuant to Section 414, amounts in the Discretionary Fund shall be applied to the purposes specified in subsection 3.

5. Whenever any moneys in the Discretionary Fund or the Improvement and Development Fund are to be applied to the purchase or redemption of Bonds, the Authority shall deposit such moneys with the Trustee, in a separate account established for such purpose, and shall give written instructions to the Trustee to make such purchase or redemption in accordance with the provisions of the Resolution. Upon any such purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part (an integral multiple of \$5000) or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

6. Amounts in the PFC Account in the Discretionary Fund not required to meet a deficiency as required by subsections 1 and 2 of this Section may be withdrawn by the Authority at any time and shall be applied by the Authority, in its discretion, for permitted purposes, in accordance with the applicable approvals and authorizations of the FAA and applicable FAA Regulations.

SECTION 414. Subordinated Indebtedness. The Authority may, at any time, or from time to time, issue Subordinated Indebtedness. Such Subordinated Indebtedness shall be payable out of, and may be secured pursuant to the Issuing Instrument by a pledge of the moneys deposited pursuant to Sections 405 1.(4) and (5) hereof, any Subordinated Pledged Revenues and such amounts in the Discretionary Fund as may from time to time be available for the purpose of payment thereof as provided in Section 411 hereof; provided, however, that (i) such Subordinated Indebtedness shall be incurred only for any one or more of the purposes set forth in subsection 3 of Section 411 and the proceeds of such Subordinated Indebtedness shall only be applied for such purpose or purposes, and (ii) such pledge provided for Subordinated Indebtedness shall be, and shall be expressed to be, subordinated in all respects to the pledge created by this Resolution.

SECTION 415. Application of Supplemental Revenues. Each month, all Supplemental Revenues, up to the Accrued Aggregate Debt Service with respect to the Series of Bonds secured by such Supplemental Revenues, shall be deposited to the Bond Fund for the credit of the Debt Service Account and, anything provided herein to the contrary notwithstanding, shall be used solely to pay debt service on the Series of Bonds secured by such Supplemental Revenues. Supplemental Revenues deposited in the Debt Service Account shall be used to pay debt service on the Series of Bonds secured thereby prior to the use of any Revenues.

ARTICLE VII

PARTICULAR COVENANTS OF THE AUTHORITY

SECTION 701. Effect of Covenants. The Authority hereby particularly covenants and agrees with the Trustee and with the Holders of the Bonds and coupons, and makes provisions which shall be a part of the contract with such Holders, to the effect and with the purpose set forth in the following Sections of this Article VII.

SECTION 702. Payment of Principal, Premium, if any, and Interest. The Authority will promptly pay or cause to be paid, but solely from the Revenues, and the proceeds of the Bonds pledged therefor by the Resolution the principal of, interest and premium, if any, on all Bonds issued hereunder according to the terms hereof.

SECTION 703. Extension of Payment of Bonds and Coupons. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such coupons or claims for interest shall be extended, such Bonds, coupons or claims for interest shall not be entitled in case of any default under the Resolution to the benefit of the Resolution or to any payment out of Revenues, or out of any funds including the investments, if any, thereof, pledged under the Resolution or the moneys (except moneys held in trust for the payment of particular Bonds, coupons or claims for interest pursuant to the Resolution) held by any Fiduciary, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of the maturity of any Bonds.

SECTION 704. Offices for Servicing Bonds. The Authority hereby irrevocably appoints the Trustee as its agent to maintain an office or agency for the registration, transfer or exchange of Bonds, and for the service of notices, presentations and demands upon the Authority. The Authority hereby appoints the Paying Agents as its respective agents to maintain offices or agencies for the payment or redemption of Bonds and coupons.

SECTION 705. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming of all and singular the rights, Revenues, and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

SECTION 706. Powers as to Bonds and Pledge. The Authority is duly authorized under the Act and all applicable laws to create and issue the Bonds and to adopt the Resolution and to pledge the Revenues and other moneys, securities and funds purported to be pledged by the Resolution in the manner and to the extent provided in the Resolution. Except as to the issuance of Bonds hereunder, the Revenues, and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate or other action on the part of the Authority and the City to that end has been duly and validly taken. The Bonds and the provisions of the Resolution are and will be in the valid and legally enforceable obligations of the City in accordance

with their terms and the terms of the Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues, and other moneys, securities and funds pledged under the Resolution and all the rights of the Bondholders under the Resolution against all claims and demands of all persons whomsoever.

SECTION 707. Powers as to the Airport System and Collection of Rates, Fees and Rentals. The Authority has, and will have so long as any Bonds are Outstanding, good right and lawful authority to acquire, construct, develop, operate, maintain, repair, improve, reconstruct, enlarge, and extend the Airport System and to fix rates, fees, rentals and other charges in connection therewith, all as provided in the Act.

SECTION 708. Indebtedness and Liens. The Authority shall not issue any bonds or other evidences of indebtedness other than the Bonds, payable out of or secured by a pledge of the Revenues or of the moneys, securities of funds held or set aside by the Authority or by the Fiduciaries under the Resolution and shall not create or cause to be created any lien or charge on the Revenues, or such moneys, securities or funds; provided, however, that nothing contained in the Resolution shall prevent the Authority from issuing (i) evidences of indebtedness payable out of moneys in the Construction Fund as part of the Cost of Construction of any Additional Project, and after the date the pledge of Revenues provided in the Resolution shall be discharged and satisfied as provided in Section 1201, or (ii) Subordinated Indebtedness as provided in Section 414.

SECTION 709. Sale, Lease or Encumbrance of Property.

1. Except as provided in subsection 2 or subsection 3 of this Section 709, no part of the Airport System shall be sold, or otherwise disposed of or encumbered.

2. The Authority may sell, for fair and reasonable value, at any time and from time to time, in an arm's-length transaction, any property constituting part of the Airport System which an Authorized Officer of the Authority certifies to be obsolete, uneconomical, negligible, worn out or surplus property, or property no longer useful or profitable in the operation of the Airport System.

3. The Authority may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Airport System if such lease, contract, license, easement or right does not impede or restrict the operation by the Authority of the Airport System.

4. Any proceeds from the sale or disposition of property not used to replace such property and any such payments with respect to a lease, contract, license, easement or right not otherwise required to be applied in accordance with

the Resolution shall be applied in the same manner and to the same purposes as Revenues.

SECTION 710. Operation, Maintenance and Reconstruction.

1. The Authority shall at all times operate, or cause to be operated, the Airport System properly and in a sound, efficient and economical manner and shall maintain, preserve, and keep the same or cause the same to be maintained, preserved, and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all ordinary, necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport System may be properly and advantageously conducted, and, if any useful part of the Airport System is damaged or destroyed, the Authority shall, as expeditiously as may be possible, commence and diligently prosecute the ordinary replacement or reconstruction of such part so as to restore the same to use; provided, however, that nothing in the Resolution shall require the Authority to operate, maintain, preserve, repair, replace, renew or reconstruct any part of the Airport System from sources other than the Revenues or if there shall have been filed with the Trustee (a) a certificate executed by an Authorized Officer of the Authority stating that in the opinion of the Authority abandonment of operation of such part is economically justified and is not prejudicial to the interests of the Holders of the Bonds, and (b) a consent to the filings of such certificate given by the Trustee, which consent shall be withheld only upon reasonable grounds.

2. To the extent deemed necessary by the Authority for the efficient or economical operation of the Airport System and permitted by law, it shall maintain, preserve, and renew all the franchises, rights, powers and privileges acquired, owned or held by it.

3. The Authority shall establish and enforce reasonable rules and regulations governing the operation, use and services of the Airport System.

SECTION 711. Rates and Charges. The Authority will, at all times while any Bonds shall be Outstanding, establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that in each Fiscal Year the Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each Series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the sum of the Aggregate Debt Service of the Outstanding Bonds for such Fiscal Year, and in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues under the Resolution.

SECTION 712. Insurance.

1. So long as any Bonds are Outstanding, the Authority shall at all times carry insurance with a responsible insurance company or companies authorized and qualified under the laws of any state of the United States of America to assume the risk thereof, covering such properties of the Airport System as are customarily insured, and against loss or damage from such causes as are customarily insured against, by public or private corporations engaged in a similar type of business, all in accordance with the annual written recommendations of the Airport Consultant.

2. Any proceeds of insurance for the Airport System shall, except as provided in subsection 3 of Section 403, to the extent necessary and desirable, be applied to the repair and replacement of any damaged or destroyed properties of the Airport System. If any of said proceeds are not used to repair or replace property, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

SECTION 713. Condemnation. The Authority covenants that in the event the Airport System or any part thereof is taken by the exercise of eminent domain, any proceeds received in connection with such exercise of eminent domain shall, to the extent necessary and desirable, be applied to the replacement of the Airport System or such part thereof. If any of said proceeds are not applied to such replacement, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

SECTION 714. Airport Consultant. The Authority shall employ an Airport Consultant from time to time whenever and for the purposes contemplated by this Resolution. Such Airport Consultant shall be an airport consultant or airport consultant firm or corporation having a wide and favorable reputation for skill and experience with respect to the operation and maintenance of airports, in recommending rental and other charges for use of airport facilities and in projecting revenues to be derived from the operation of airports.

SECTION 715. Consulting Engineers. The Authority shall employ Consulting Engineers from time to time whenever and for the purposes contemplated or required by this Resolution. Such Consulting Engineers shall be engineer or engineering firms having a wide and favorable reputation for skill and experience in the construction and operation of airport facilities.

SECTION 716. Annual Budget.

1. Not less than five (5) days prior to the beginning of each Fiscal Year the Authority shall prepare and file with the Trustee an Annual Budget for the ensuing Fiscal Year. Such Annual Budget shall set forth in reasonable detail: the estimated Revenues and Operation and Maintenance Expenses for the Airport System for such Fiscal Year; the estimated amounts to be deposited during such

Fiscal Year in each of the Funds and Accounts established under the Resolution and the estimated expenditures for the replacement of capital assets or any unusual or extraordinary maintenance or repairs, for the building and constructing of permanent improvements, alterations, buildings and other structures, including runways, taxi strips and aprons of the Airport System. The Authority may at any time adopt an amended Annual Budget for the remainder of the then current Fiscal Year. Copies of the Annual Budget and of any amended Annual Budget shall be promptly filed with the Trustee for inspection by Bondholders.

2. If for any reason the Authority shall not have adopted the Annual Budget for a Fiscal Year before the first day of such Fiscal Year, the Annual Budget for the preceding year shall be deemed to have been adopted and be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted and a copy thereof filed with the Trustee.

SECTION 717. Accounts and Reports.

1. The Authority shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Revenues, each Fund and Account established under the Resolution and which shall at all times be subject to the inspection of the Trustee, and the Holders of an aggregate of not less than 5% of the Bond Obligation then Outstanding or their representatives duly authorized in writing.

2. The Trustee and the Special Trustee shall advise the Authority promptly after the end of each month of the respective transactions during such month relating to each Fund and Account held by the Trustee and the Special Trustee under the Resolution and the Revenues. The Authority shall have the right upon reasonable notice and during reasonable business hours to examine the books and records of the Trustee and the Special Trustee with respect to the Funds and Accounts held by the Trustee or the Special Trustee under the Resolution and with respect to the Revenues.

3. The Authority shall annually, within 120 days after the close of each Fiscal Year, cause an audit to be made of its books and accounts relating to said Airport System for such Fiscal Year by an independent and recognized certified public accountant not in the regular employ of the Authority. Promptly thereafter reports of each such audit shall be filed with the Trustee. Each such audit Report shall set forth with respect to such Fiscal Year:

(a) A summary with respect to each Fund and Account established under the Resolution, of the receipts therein and disbursements therefrom;

(b) the details of all Bonds issued, paid, purchased or redeemed;

(c) the amounts on deposit at the end of such Fiscal Year to the credit of each Fund and Account established under the Resolution, showing the respective amounts on deposit to the credit thereof in each Depository under the Resolution, as the case may be, and any security held therefor, and showing the details of any investment thereof;

(d) the amounts of the proceeds received from any sales of property consisting part of the Airport System; and

(e) a list of all insurance policies with respect to the Airport System or certificates thereof then held by the City, the Authority, or the Trustee.

4. The Authority shall file with the Trustee (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an Authorized Officer of the Authority and specifying such Event of Default or default and (b) within 120 days after the end of each Fiscal Year, a certificate signed by an appropriate Authorized Officer of the Authority stating that, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Resolution and there does not exist at the date of such certificate any default by the Authority under the Resolution or any Event of Default or other event which, with the lapse of time specified in Section 801 would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

5. The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Resolution shall be available for the inspection of Bondholders at the office of the Trustee and shall be mailed to each Bondholder who shall file a written request therefor with the Authority. The Authority may charge each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

SECTION 721. Covenants With Respect to Airports and Aviation Facilities. Nothing herein contained shall prohibit the Authority from acquiring or constructing an airport or an aviation facility and financing the same from moneys other than the proceeds of Bonds or Revenues generated by the Airport System. The Authority hereby covenants that it will not acquire or construct any such airport or aviation facility as aforesaid unless a certificate is received from the Airport Consultant and filed with the Trustee to the effect that such airport or

aviation facility will not adversely affect Revenues to be derived by the Authority or the rights, security and remedies of Bondholders under the Resolution.

SECTION 722. Special Purpose Facilities. The Authority shall be authorized to finance Special Purpose Facilities from the proceeds of obligations issued by the Authority without regard to any requirements of this Resolution with respect to the issuance of Additional Bonds, provided:

1. Such obligations are payable solely from rentals or other charges derived by the Authority under a lease, sale or other agreement entered into between the Authority and the person, firm or corporation which will be utilizing the Special Purpose Facilities to be financed.

2. There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the estimated rentals, payments or other charges to be derived by the Authority from the lease, sale or other agreement with respect to the Special Purpose Facilities to be financed will be at least sufficient to pay the principal of and interest on such obligations, all costs of operating and maintaining such Special Purpose Facilities and all sinking fund, reserve or other payments required by the resolution or indenture securing such obligations.

3. There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the construction and operation of the Special Purpose Facilities to be financed will not decrease the Revenues to be derived from the Airport System.

4. In addition to all rentals, payments or other charges with respect to the Special Purpose Facilities to be financed, a fair and reasonable rental for the land upon which said Special Purpose Facilities are to be constructed shall be charged by the Authority, and said ground rent shall be deemed Revenues derived from the Airport System.

SECTION 723. Fulfillment of Conditions Precedent. Upon the date of issuance of any of the Bonds, all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Act or the Resolution to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed and such Bonds, together with all other indebtedness of the City, shall be within every applicable debt and other limit prescribed by said Constitution or statutes.

SECTION 724. Payment of Lawful Charges. The Authority shall pay from the Revenues all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Airport System, or upon any part thereof or upon any revenue therefrom, when the same shall become due, and shall duly observe and comply with all legal requirements of any municipal or governmental authority applicable to any part of the Additional Project, and shall not create or suffer to be created any lien or charge upon the Airport System or any part thereof or upon the Revenues therefrom, except the pledge and lien created by the Resolution for the payment of the principal and Redemption Price of and interest on the Bonds. The Authority shall pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within ninety (90) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects; provided, however, that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate administrative and legal proceedings.

SECTION 725. Compliance with Law. The Authority shall observe and perform all of the terms and conditions contained in the Act and shall comply with all valid acts, rules, regulations, orders and directions applicable to the Airport System or the Authority, of any legislative, executive administrative or judicial body having lawful jurisdiction thereover.

SECTION 726. Covenants With Respect to PFCs. The Authority hereby covenants and agrees to file such applications, submit such reports and take any and all such other actions that may be necessary or desirable to preserve its rights to impose and collect PFCs from which Available PFC Revenues are derived, to enforce with reasonable diligence its right to receive PFC Revenues from which Available PFC Revenues are derived and to use the proceeds of such Available PFC Revenues and amounts required to be deposited in the PFC Account in the manner provided herein. Without limiting the generality of the foregoing, the Authority hereby covenants and agrees as follows:

(a) To apply PFC Revenues only to finance allowable costs of approved projects in accordance with the FAA Regulations and applicable FAA authorizations and approvals (including Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects);

(b) To comply with the applicable requirements of Section 9304(e) and 9307 of the Airport Noise and Capacity Act of 1990 (Pub. L. 101-508, Title IX, Subtitle D);

(c) To notify the air carriers and foreign air carriers required to collect PFCs with respect to the Airport System of the FAA's approval of the imposition of such PFCs in accordance with the requirements of the FAA Regulations and to take all actions reasonably necessary to insure the proper collection and remittance of the PFC Revenues from which Available PFC Revenues are derived by the air carriers; and

(d) To comply with all reporting, recordkeeping, and auditing requirements contained in the FAA Regulations.

ARTICLE VIII

REMEDIES OF BONDHOLDERS

SECTION 801. Events of Default. The following events shall be "Events of Default" under the Resolution:

(i) default shall be made in the due and punctual payment of the principal of or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, or in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor when and as such interest installment or Sinking Fund Installment shall become due and payable;

(ii) default shall be made by the Authority in the performance or observance of the covenants, agreements and conditions on its part as provided in Section 711 provided, however, that a failure to comply with the covenants in Section 711 shall not constitute an event of default unless the Authority shall fail in the succeeding Fiscal Year to comply with the covenants in Section 711 or to restore any deficiencies which occurred in any Funds in the preceding Fiscal Year;

(iii) default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part contained in the Resolution or in the Bonds and such default shall continue for a period of sixty (60) days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than twenty-five percent (25%) of the Bond Obligation;

(iv) the Authority or the City shall file a petition seeking a composition of indebtedness under the Federal bankruptcy

laws, or under any other applicable law or statute of the United States of America or of the State of Florida;

(v) judgment for the payment of money shall be rendered against the Authority or the City as the result of the construction, improvement, ownership, control or operation of the Airport System, and any such judgment shall not be discharged within twenty-four (24) months after the entry thereof, or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof; and

(vi) an order or decree shall be entered, with the consent or acquiescence of the Authority or the City, appointing a receiver or receivers of the Airport or any part thereof, or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority or the City, shall not be vacated or discharged, stayed or appealed within ninety (90) days after the entry thereof.

SECTION 802. Accounting and Examination of Records After Default.

1. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records relating to the Airport shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys, including any engineer or firm of engineers appointed to act on behalf of the Trustee.

2. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and Funds pledged or held under the Resolution for such period as shall be stated in such demand.

SECTION 803. Application of Revenues and Other Moneys After Default.

1. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and Funds then held by the Authority or Special Trustee in any Fund or account under the Resolution, and (ii) all Revenues as promptly as practicable after receipt thereof.

2. During the continuance of an Event of Default, the Trustee shall apply such moneys, securities, Funds and Revenues and the income therefrom as follows and in the following order:

(a) to the payment of Operation and Maintenance Expenses including, without limitation, the payment of the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel;

(b) to the payment of the interest and principal or Redemption Price then due on the Bonds, subject to the provisions of Section 703, as follows:

(i) unless the principal of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest on Bonds other than Capital Appreciation Bonds then due in order of the maturity of such installments, together with accrued and unpaid interest on the Bonds other than the Capital Appreciation Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(ii) if the principal (or, with respect to Capital Appreciation Bonds, the Maturity Amount) of all of the Bonds shall have become due and payable, to the payment of the principal and interest (or, with respect to Capital

Appreciation Bonds, Maturity Amount) then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, (or, with respect to Capital Appreciation Bonds, Maturity Amount) to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and coupons.

3. If and whenever all overdue installments of interest on all Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Resolution, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Resolution or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities, and Funds then remaining unexpended in the hands of the Trustee (except moneys, securities, and Funds deposited or pledged, or required by the terms of the Resolution to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under the Resolution. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under the Resolution or impair any right consequent thereon.

SECTION 804. Proceedings Brought By Trustee.

1. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than twenty-five (25%) of the Bond Obligation shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under this Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

2. All rights of action under the Resolution may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

3. The Holders of not less than a majority of the Bond Obligation may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

4. Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under the Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

5. Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of a majority of the Bond Obligation, and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Resolution by any acts which may be unlawful or in violation of the Resolution, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

SECTION 805. Restriction on Bondholder's Action.

1. No Holder of any Bond or coupon shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least twenty-five percent (25%) of the Bond Obligation shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Resolution or by the Act or by the laws of Florida or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of thirty (30) days after receipt by it of such notice, request

and offer of indemnity, it being understood and intended that no one or more Holders of Bonds or coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Resolution, or to enforce any right under the Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Resolution shall be instituted, had and maintained in the manner provided in the Resolution and for the equal benefit of all Holders of the Outstanding Bonds and coupons.

2. Nothing in this Resolution or in the Bonds or in the coupons contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay, from the sources herein specified, at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

SECTION 806. Remedies Not Exclusive. No remedy by the terms of the Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or existing at law or in equity or by statute on or after the date of adoption of the Resolution.

SECTION 807. Effect of Waiver and Other Circumstances.

1. No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

2. The Holders of not less than sixty-six and two-thirds percent (66-2/3%) of the Bond Obligation, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Bonds waive any past default under the Resolution and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 808. Notice of Default. The Trustee shall promptly upon becoming aware of any Event of Default mail to registered Holders of Bonds, the original purchasers of the Bonds and the financial consultant to the Authority and to all Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any Event of Default. If any Fiscal Year Revenues shall be insufficient to comply with the provision of Section

711, the Trustee, on or before the 30th day after receipt of the annual audit, shall mail to such registered Holders and such Bondholder written notice of such failure.

ARTICLE X

SUPPLEMENTAL RESOLUTIONS

SECTION 1001. Supplemental Resolutions Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority together with a certified copy of a resolution of the City Council approving such Supplemental Resolution, shall be fully effective in accordance with its terms:

(1) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

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

(3) To add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(4) To authorize Bonds of a Series or to determine the terms and details thereof and, in connection therewith, specify and determine the matters and things referred to in Sections 202, 203, 204 or 205, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds;

(5) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolution, of the Revenues, or of any other moneys, securities or funds; and

(6) To modify any of the provisions of the Resolution in any respect whatever, provided that (i) such modification shall be, and be

expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof.

SECTION 1002. Supplemental Resolutions Effective Upon Consent of Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority, and (ii) the filing with the Trustee and the Authority of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in the Resolution; or

(2) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect; or

(3) To make any other changes or modifications to or to otherwise amend the Resolution in any manner that does not materially adversely affect the interests or rights of any of the Holders of Bonds issued pursuant to the terms hereof and then Outstanding.

SECTION 1003. Supplemental Resolutions Effective With Consent of Bondholders. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority and upon compliance with the provisions of said Article XI, shall become fully effective in accordance with its terms as provided in said Article XI.

SECTION 1004. General Provisions.

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing in this Article X or Article XI contained shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 705 or the right or obligation of the Authority to execute and

deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Any Supplemental Resolution referred to and permitted or authorized by Sections 1001 and 1002 may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights).

3. The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 1001, 1002 or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel (which may be a Counsel's Opinion) that such Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

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

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APPENDIX C

SUMMARY OF THE CONSENT AMENDMENTS

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APPENDIX C

SUMMARY OF CONSENT AMENDMENTS

On September 16, 2015, the Board approved the Greater Orlando Aviation Authority Amended and Restated Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds (the “Proposed Amended and Restated Bond Resolution”), approving certain amendments to the Senior Bond Resolution (the “Consent Amendments”). The Proposed Amended and Restated Bond Resolution is available upon request from the Authority’s Chief Financial Officer, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399. Going forward, each initial purchaser of Senior Bonds (as defined in the Master Subordinated Indenture) will be required to execute a written consent to the adoption of the Proposed Amended and Restated Bond Resolution and to the Consent Amendments. Upon (a) receipt of the written consent thereto of the Holders of at least a majority of the principal amount of the Senior Bonds then Outstanding, (b) receipt of consent or approval of any other entities which have been provided such right, including the City of Orlando, and (c) compliance with the relevant provisions of Articles X and XI of the Senior Bond Resolution, the Proposed Amended and Restated Bond Resolution will be deemed adopted and the Consent Amendments contained therein shall become effective. The Proposed Amended and Restated Bond Resolution includes, among other things, substantive changes to certain definitions, the additional bonds test, the flow of funds, and the rate covenant, and the addition of a Released Revenues concept, along with numerous other changes to improve the Authority’s flexibility and clarify the Authority’s rights and obligations in a manner consistent with many modern bond resolutions.

The Consent Amendments are described briefly below, alphabetically by subject area, but are subject in all respects to the actual text of the Proposed Amended and Restated Bond Resolution, available upon request from the Authority’s Chief Financial Officer. Section references are to the specific section of the Proposed Amended and Restated Bond Resolution where the particular amendment may be found and all defined terms in the summary below shall have the definitions provided in the Proposed Amended and Restated Bond Resolution.

Accounts and
Reports - Section 717

- Section 717 will be revised to add the new concept of “Available Revenues” to the reporting requirements and increase the time period for the Authority to provide an audit report and accompanying Authorized Officer certification from 120 days to 180 days after the close of each Fiscal Year.

Additional
Bonds - Section 204

- The current requirements to issue Bonds for Additional Projects will be streamlined and simplified.
- The revised additional bonds test will eliminate the need to satisfy both a historic and a prospective coverage test and, instead, will allow the Authority to satisfy either a historical coverage test (as certified by an Authorized Officer of the Authority or an Airport Consultant) or a prospective coverage test (as certified by an Airport Consultant) for the

next three Fiscal Years.

- Under both the new historical and prospective test, the requirement will be that Net Revenues and Subordinated Pledged Revenues are sufficient to satisfy the rate covenant requirements (see “Rate Covenant” below). The historical test requires that Net Revenues and Subordinated Pledged Revenues for the most recent Fiscal Year or any 12 consecutive months out of the most recent 24 consecutive months meet both the requirement that all funds and accounts be fully funded and the requirement that Net Revenues be at least 125% of debt service on all Senior Bonds for the next three Fiscal Years or, if later, the next 2 Fiscal Years when there is no Capitalized Interest. The forward-looking test requires that estimated Net Revenues and Subordinated Pledged Revenues be at least 125% of the debt service on all Senior Bonds for the next 3 Fiscal Years or, if later, the next 2 Fiscal Years when there is no Capitalized Interest.
- Additionally, the revised additional bonds test allows the Authority or the Airport Consultant, as applicable to (i) make certain adjustments to Net Revenues for increases in rates, fees and revenues from new facilities and capital improvements; and (ii) use unaudited financial statements if audited financial statements are not available provided that an Authorized Officer of the Authority certifies as to the accuracy of such unaudited statements and that they were prepared substantially in accordance with generally accepted accounting principles.
- Neither a historical or prospective test is required for Additional Bonds the proceeds of which are used to complete the construction of an Additional Project if the amount of Additional Bonds is less than 10% of the principal amount of the Bonds originally issued for such Additional Project.

Application of Supplemental Revenues - Section 415

- Section 415 will be deleted and replaced with the more modern concepts of “Available Revenues” and “Released Revenues.” See “Available Revenues” and “Released Revenues” below.

Available Revenues - Section 727

- A definition for “Available Revenues” will be added so that Available Revenues may include the amount of Available PFC Revenues and Available CFC Revenues to be received by the Authority as well as certain items not currently considered “Revenues” which may be designated by the Authority by Supplemental Resolution in the future and used

to pay principal and interest on Bonds, with the Debt Service paid from such Available Revenues being disregarded.

- Section 727 will be added to describe how the Authority may designate Available Revenues and also to provide other provisions for the receipt, deposit and application thereof into the Available CFC Account, Available PFC Account and other functionally similar accounts to be established by Supplemental Resolution.

Debt Service - Section 101

- The definition of “Debt Service” will be revised to add rules for purposes of determining the amount of Debt Service in any Fiscal Year by excluding from the calculation of Debt Service (i) certain amounts irrevocably deposited with and held by the Trustee or another fiduciary exclusively to pay principal of and/or interest on Bonds; (ii) Available Revenues irrevocably committed or other amounts actually deposited with the Trustee for the purpose of paying Debt Service on Bonds; and (iii) the payment or expected payment of Debt Service on Bonds from cash subsidies or other similar payments made or expected to be made by the U.S. Treasury or other federal or state government entity to or on behalf of the Authority.

Definitions - Section 101

- The following definitions in the Airport Facilities Revenue Bond Resolution will be substantively revised as follows:
 - Airport System – The definition will be revised to exclude Special Purpose Facilities, except as otherwise provided by Supplemental Resolution so long as Special Purpose Facility Debt is outstanding with respect to such Special Purpose Facilities.
 - Available PFC Revenues – The definition will be revised to provide that Available PFC Revenues means, for any period of time, the amount of Passenger Facilities Charges specified in a Supplemental Resolution or other resolution duly adopted by the Board pursuant to Section 727 of the Proposed Amended and Restated Bond Resolution.
 - Bond Registrar – The definition will be deleted.
 - Debt Service – The definition will be revised as described in “Debt Service” above.
 - Debt Service Reserve Requirement – The definition will be

revised to delete the clause, “which will not cause any existing rating on any Bonds or Series of Bonds Outstanding hereunder to be lowered, suspended or withdrawn,”

- Exempt Costs – The definition will be deleted.
- Investment Securities – The definition will be revised as described in “Investment Securities” below.
- Issuing Instrument – The definition will be revised to apply to both Priority Subordinated Indebtedness and Secondary Subordinated Indebtedness.
- Operation and Maintenance Expense – The definition will be revised as described in “Operation and Maintenance Expense” below.
- Original Proceeds – The definition will be deleted.
- Paying Agent – The definition will be revised to permit the Authority to serve as Paying Agent for a Series of Bonds.
- Revenues – The definition will be revised to exclude Available PFC Revenues and include (i) amounts received by the Authority which are attributable to the Airport System and (ii) Special Purpose Facility Revenues, to the extent designated as Revenue by Supplemental Resolution.
- Special Purpose Facilities – The definition will be revised as described in “Special Purpose Facilities” below.
- Subordinated Pledged Revenues – The definition will be revised to include moneys, revenues and income pledged to the payment of Secondary Subordinated Indebtedness.
- Supplemental Revenues – The definition will be deleted.
- The following new definitions will be added to the Airport Facilities Revenue Bond Resolution:
 - Available CFC Account will mean the account established with and held by the Authority to hold Available CFC Revenues.
 - Available CFC Revenues will mean, for any period of time,

the amount of Customer Facility Charges specified in a Supplemental Resolution or other resolution to be included in Available Revenues.

- Available PFC Account will mean the account established with and held by the Authority to hold Available PFC Revenues.
- Available Revenues – See “Available Revenues” above.
- Capitalized Interest will mean the proceeds of Bonds or other moneys deposited with the Trustee or other Fiduciary which is restricted to the payment of interest on specified Bonds for a specified period.
- Credit Provider will mean, with respect to any Series of Bonds, the issuer of a municipal bond insurance policy, letter of credit, surety bond or other credit facility insuring or securing the payment of the principal of and interest on such Series of Bonds.
- Customer Facility Charges or CFCs will mean all amounts, and any interest earning thereon, received by the Authority from the charges imposed and collected by car rental companies upon car rental customers arriving at Orlando International Airport and renting a vehicle from a car rental company serving the Airport, which charges are established from time to time by the Authority.
- Insurance Consultant will mean a person, firm of persons or company of favorable repute for skill and experience in dealing with the insurance requirements of enterprises similar to the Airport System and in performing the duties to be imposed upon it by the Proposed Amended and Restated Bond Resolution.
- Pledged Funds – See “Pledged Funds” below.
- Qualified Self Insurance will mean insurance maintained through a program of self-insurance or insurance maintained with a fund, company or association which the Authority controls or has a material interest in.
- Released Revenues – See “Released Revenues” below.
- Secondary Subordinated Indebtedness – See “Subordinated

and Secondary Subordinated Indebtedness” below.

- Special Purpose Facility Debt – See “Special Purpose Facilities” below.
- Special Purpose Facility Revenues – See “Special Purpose Facilities” below.
- Transfer – See “Rate Covenant” below.

Debt Service
Requirement - Section 101

- The definition of “Debt Service Reserve Requirement” will be revised to remove a requirement that the amount established for any Composite Reserve Subaccount or series Debt Service Reserve Account will not cause any existing rating on any Bonds to be lowered, suspended or withdrawn.

Deposit of
Revenues - Section 405

- A definition of Secondary Subordinated Indebtedness will be added so that a new “third” tier lien is created which is lower in priority of payment than Senior Bonds and Priority Subordinated Indebtedness but higher in priority of payment than deposits to the Capital Expenditures Fund, the Renewal and Replacement Fund and the Discretionary Fund.
- The payment of principal of and interest on Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (7) (after funding of the Operation and Maintenance Reserve Account within the Operation and Maintenance Fund).
- The deposit to any debt service reserve account established for Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (8).

Discretionary
Fund - Section 411

- Section 411 will be revised to add a requirement that to the extent amounts from the Revenue Fund deposited monthly to pay the principal and interest on Subordinated Indebtedness or Secondary Subordinated Indebtedness, or required deposits to any debt service reserve accounts established for such debt are insufficient for such purpose, the Authority shall transfer the amount of such insufficiency from the Discretionary Fund.
- Section 411 will also be expanded to allow the Authority to purchase or redeem Secondary Subordinated Indebtedness and any expenses related thereto, from amounts on deposit in

the Discretionary Fund.

Federal Income Taxation
Covenants; Taxable
Bonds - Section 728

- New definitions of “Tax-Exempt Bonds” and “Taxable Bonds” will be added to distinguish between the potential federal income tax treatment of interest on such Bonds.
- A new Section 728 will be added to establish various covenants of the Authority relating to post issuance compliance for federal income tax purposes with respect to Tax-Exempt Bonds and to clarify that Taxable Bonds may be issued by the Authority and are not subject to these covenants.

Indebtedness and
Liens - Section 708

- New definitions for “Pledged Funds” and “Secondary Subordinated Indebtedness” will be added. See “Pledged Funds” and “Subordinated and Secondary Subordinated Indebtedness” below.
- Section 708 will be revised to reflect the use of the new term “Pledged Funds” and authorize the Authority to issue Secondary Subordinated Indebtedness in accordance with Section 414 of the Proposed Amended and Restated Bond Resolution.

Investment
Securities - Section 101

- The definition of “Investment Securities” will be revised to allow the purchase of commercial paper which at the time of purchase is rated at least “Prime-1” by Moody’s and “A-1” or better by S&P (prime commercial paper) or equivalent ratings by two Rating Agencies.

Insurance - Section 712

- A new definition of “Qualified Self Insurance” will be added which requires the Authority to have a material interest or control over the entity or fund providing a program of self-insurance.
- A new definition of “Insurance Consultant” will be added to require that it be a person or firm of favorable repute for skill and experience in dealing with the insurance requirements of enterprises similar to the Airport System.
- Section 712 will be expanded to allow the Authority to self-insure with “Qualified Self Insurance” provided, among other requirements, that (i) the Qualified Self Insurance is approved by the Insurance Consultant; (ii) a claims reserve fund, out of which each self-insured claim shall be paid, is evaluated on an annual basis by the Insurance Consultant and any deficiencies in the fund are remedied in accordance with

the recommendations of the Insurance Consultant; (iii) the claims reserve fund is held in a bank account credited for the purpose of maintaining such self-insurance funds; and (iv) in the event the Qualified Self Insurance program is discontinued, the actuarial soundness of its claims reserve fund shall be maintained.

- Notice of Redemption - Section 505

 - Section 505 will be revised to clarify that a published notice of redemption in Authorized Newspapers is no longer required.

- Operation and Maintenance Expense - Section 101

 - The definition of “Operation and Maintenance Expense” will be revised to clarify that expenses will not include expenses funded by Special Purpose Facility Debt or sources other than Revenues.

- Operations and Maintenance - Section 710

 - Section 710 will be revised to remove the requirement that the Trustee consent to the Authority’s decision not to operate, maintain or reconstruct any portion of the Airport System if it is economically justified and not otherwise prejudicial to holders of the Bonds.

- Paying Agent - Section 101

 - The definition of “Paying Agent” will be expanded to allow the Authority to act as Paying Agent for a Series of Bonds.

- Pledged Funds - Section 401

 - A new definition of “Pledged Funds” will be added to refer to the amounts pledged under Section 401 of the Proposed Amended and Restated Bond Resolution and will include any Available Revenues, but only to the extent that the Authority has pledged such Available Revenues to secure a particular Series of Bonds by Supplemental Resolution (see “Available Revenues” above and Section 401 in the Proposed Amended and Restated Bond Resolution).

- Proceedings Brought by the Trustee - Section 804

 - Section 804 will be revised to clarify that when the Trustee incurs costs or renders services after a default, such costs and compensation shall constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

- Rate Covenant - Section 711

 - A new definition of “Transfers” will be added to allow the Authority to consider amounts on deposit in the Discretionary Fund in the current 125% coverage requirement calculation, which amounts are limited to no more than 25% of the Debt Service payable in a particular

Fiscal Year.

- Section 711 will be revised to add “Transfers” and “Subordinated Pledged Revenues” to Net Revenues in computing the debt service coverage requirement.
 - Section 711 will be further revised to add an additional coverage requirement of 100% of the amounts required to be deposited pursuant to Section 405(2)-(10) of the Proposed Amended and Restated Bond Resolution, which essentially covers all debt and debt reserve payments for all liens, plus deposits to the Operation and Maintenance Fund, Repair and Replacement Fund and Capital Expenditure Fund.
- Released
Revenues - Section 416
- A definition for “Released Revenues” will be added so that certain categories of income, receipts and other revenues of the Airport System may be designated as such by Supplemental Resolution and excluded from the definition of “Revenues” (and therefore from the definition of “Pledged Revenues”).
 - A new Section 416 will be added which allows the removal of certain revenues from the pledge of the Proposed Amended and Restated Bond Resolution, provided that the following requirements are met: (i) a request from an Authorized Officer of the Authority is filed with the Trustee describing the category of income or receipts to be excluded and certifying that the Authority is not currently in default under Section (801)(i) of the Proposed Amended and Restated Bond Resolution (regarding payment of Debt Service on Senior Bonds) and (ii) a certificate from an Authorized Officer of the Authority is filed with the Trustee to the effect that Net Revenues and any Subordinated Pledged Revenues, excluding the proposed Released Revenues, for two immediately prior Fiscal Years, were sufficient to satisfy the rate covenant set forth in Section 711 in the Proposed Amended and Restated Bond Resolution, assuming that 1.10 (instead of 1.00) was used in Section 711.1 (requiring fully funding each fund and account) and 1.50 (instead of 1.25) was used in Section 711.2 (regarding minimum debt service coverage on Senior Bonds) in the Proposed Amended and Restated Bond Resolution.
- Resignation of
Trustee - Section 907
- Section 907 will be revised to remove the required publication of notice in a newspaper when the Trustee resigns and replaces it with the requirement that such notice of resignation be posted with the Municipal Securities

Rulemaking Board via its Electronic Municipal Marketplace Access (“EMMA”) system or any successor thereto.

Sale, Lease and
Encumbrance - Section 709

- Section 709 will be revised to permit the Authority to make a lease, enter into a contract or grant easements and licenses for any part of the Airport System to the extent it is advantageous to the Airport System and to permit the Authority to use proceeds of a sale or disposition for such other purposes as may be required by law or contract.

Special Purpose
Facilities - Section 722

- New definitions of “Special Purpose Facilities,” “Special Purpose Facility Debt” and “Special Purpose Facility Revenues” will be added to allow the Authority to pledge specific revenues for projects with owners or operators of certain special facilities and designate by Supplemental Resolution whether or not such facilities constitute part of the Airport System and whether or not the revenues from such project will be included in “Revenues.”
- Section 722 will be revised to allow the Authority to issue Special Purpose Facility Debt provided that prior to its issuance, the Authority provides the Trustee with a certificate certifying to various requirements in accordance with the Proposed Amended and Restated Bond Resolution, including (i) Special Purpose Facility Revenues will be sufficient to pay the principal and interest of the Special Purpose Facility Debt; and (ii) the Airport Consultant certifies that (A) the construction and operation of the Facilities to be financed will not decrease the Revenues to be derived from the Airport System, (B) the Authority will be in compliance with the rate covenant described in Section 711 of the Proposed Amended and Restated Bond Resolution for each of the next three full Fiscal Years, (C) no Event of Default then exists, and (D) the Authority is in compliance with any Supplemental Resolution related to such Special Purpose Facility Debt.

Subordinated and Secondary
Subordinated Indebtedness -
Section 414

- Section 414 will be revised to allow the Authority to issue Secondary Subordinated Indebtedness in a manner similar to the procedure for issuing Subordinated Indebtedness by expressly designating it as such in the Issuing Instrument.

Supplemental Resolutions
and Amendments - Articles
X and XI

- The process by which the Proposed Amended and Restated Bond Resolution may be amended with and without the consent of holders of the Bonds will be streamlined and simplified.

- Former Articles X and XI will be consolidated into newly revised Article X and modified to, among other things, (i) create a new category of amendments which the Authority may make without Bondholder or Trustee consent that generally do not materially adversely affect the interests of the Bondholders; (ii) eliminate the need to publish notice of such amendments; (iii) eliminate the ability of subsequent holders of the Bonds to revoke prior consents; (iv) eliminate the need to obtain consents after the publication of notice; (v) allow for the “deemed execution” of written consents by holders of the Bonds, underwriters and other agents; and (vi) differentiate between outstanding Bonds which may or may not be insured for purposes of allowing a Credit Provider to provide consent in lieu of the holders of insured Bonds under certain conditions.

The Authority currently anticipates receiving the consent of the requisite percentage of the Holders to the Consent Amendments during Fiscal Year 2018 and, accordingly, the Consent Amendments are forecast to become effective in such Fiscal Year. However, it is not possible to predict the actual timing for receipt of the consent of the requisite percentage of the Holders, which could occur earlier than or subsequent to the currently anticipated timing.

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APPENDIX D

COPY OF RATE RESOLUTION AND FORM OF REVENUE SHARING AGREEMENT

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**RESOLUTION OF THE
GREATER ORLANDO AVIATION AUTHORITY**

RELATING TO

**AIRLINE RATES AND CHARGES AND AIRLINE
OPERATING TERMS AND CONDITIONS FOR THE
USE OF FACILITIES AND SERVICES AT
ORLANDO INTERNATIONAL AIRPORT**

October 16, 2013

TABLE OF CONTENTS

	Page No.
ARTICLE 1: DEFINITIONS.....	1
ARTICLE 2: EFFECTIVE DATE AND LEASE AGREEMENTS.....	10
2.1 Effective Date	10
2.2 Lease Agreements	10
ARTICLE 3: APPLICABILITY OF RESOLUTION AND TRANSITION PROVISIONS	11
3.1 Applicability of Resolution	11
3.2 Transition Period.....	11
ARTICLE 4: TERMINAL PREMISES.....	13
4.1 Use and Occupancy of Terminal Premises	13
4.2 International Gates	14
4.3 Letters of Authorization	15
4.4 Transfer of Operations	15
4.5 Terminal Equipment	16
ARTICLE 5: USE OF THE AIRPORT AND RELATED FACILITIES	17
5.1 Permitted Airline Activities	17
5.2 Prohibited Activities and Authority Activities.....	20
5.3 Affiliates.....	22
5.4 Airline Requirements	22
ARTICLE 6: OPERATION AND MAINTENANCE OF THE AIRPORT	24
6.1 Designation of Operation and Maintenance Responsibilities	24
6.2 Airline Obligations.....	24
ARTICLE 7: RENTALS, FEES, AND CHARGES.....	25
7.1 Rate Methodology, Rates and Charges	25
7.2 Extraordinary Service Charges	26
7.3 Other Fees and Charges	27
7.4 Information to be Supplied by Airlines.....	27
7.5 Payments	28
7.6 Security for Performance	29
7.7 Calculation of Holdroom Space and Airline Equipment Charge.....	30
ARTICLE 8: CHANGES IN RATES AND CHARGES	32
8.1 Annual Rate Changes.....	32
8.2 Changes in Rates and Charges	32
ARTICLE 9: AIRLINE IMPROVEMENTS	33
9.1 Alterations and Improvements by Airlines	33
9.2 Removal of Improvements.....	33
9.3 Compliance with Law	33
9.4 Ownership of Improvements.....	33
ARTICLE 10: DAMAGE OR DESTRUCTION.....	34
10.1 Partial Damage	34
10.2 Substantial Damage.....	34
10.3 Destruction	34

	Page No.
10.4 Damage Caused By Airline.....	35
10.5 Limit on Authority's Responsibilities	35
ARTICLE 11: INDEMNIFICATION AND INSURANCE.....	36
11.1 Indemnification by Airline.....	36
11.2 Insurance	37
ARTICLE 12: CANCELLATION OF LETTER OF AUTHORIZATION BY THE AUTHORITY	40
12.1 Termination of Events.....	40
12.2 Continuing Responsibilities	41
12.3 The Authority's Remedies.....	41
12.4 Remedies Under Federal Bankruptcy Laws.....	42
ARTICLE 13: CANCELLATION OF LETTER OF AUTHORIZATION BY AN AIRLINE.....	43
13.1 Termination of Events.....	43
13.2 Airline's Remedy.....	43
ARTICLE 14: SURRENDER OF AIRLINE PREMISES	44
14.1 Surrender and Delivery	44
14.2 Removal of Property	44
ARTICLE 15: ASSIGNMENT AND HANDLING AGREEMENTS	45
15.1 Assignment by an Airline	45
15.2 Handling Agreements	45
ARTICLE 16: AVAILABILITY OF ADEQUATE FACILITIES	47
16.1 Reassignment of Preferential Use Premises.....	47
16.2 Regional/Commuter Operations	47
ARTICLE 17: GOVERNMENT INCLUSION.....	48
17.1 Government Agreements	48
17.2 Federal Government's Emergency Clause	48
17.3 Nondiscrimination.....	48
17.4 Security	49
17.5 Environmental.....	49
ARTICLE 18: GENERAL PROVISIONS	51
18.1 Subordination to Bond Resolution.....	51
18.2 Passenger Facility Charge.....	51
18.3 Use of Airline Premises	51
18.4 Performance	51
18.5 Avigation Rights	52
18.6 Rules and Regulations and Operational Directives.....	52
18.7 Inspection.....	52
18.8 Titles.....	52
18.9 Severability	52
18.10 Other Agreements	52
18.11 Approvals.....	53
18.12 Notice.....	53
18.13 Agent For Service	53

	Page No.
18.14 Governing Law and Legal Forum.....	53
18.15 Third-Party Beneficiary	53
18.16 Most Favored Nation Clause.....	53
18.17 No Individual Liability.....	54

RESOLUTION

WITNESSETH:

WHEREAS, the City of Orlando is the owner of the Airport located in the City of Orlando, County of Orange, State of Florida; and

WHEREAS, pursuant to an agreement dated September 27, 1976, as amended, with the City of Orlando, City Document No. 13260-1, the Authority has custody, control, and management of the Airport, and under its governmental responsibilities, operates the Airport for the accommodation of air commerce transportation; and

WHEREAS, the Authority has the right to lease, license, or otherwise provide for the use of land, property and facilities of the Airport and has full power and authority to establish Rates and Charges and operating terms and conditions for such use; and

WHEREAS, Airlines engaged in the business of transportation by air of persons, property, mail, parcels and/or cargo desire to conduct operations at the Airport; and

WHEREAS, the Authority desires to adopt this Resolution to establish the permitted activities and operating terms and conditions of Airlines, and Rates and Charges payable by Airlines, with respect to the use and occupancy of the Airport;

NOW, THEREFORE, BE IT RESOLVED by the Greater Orlando Aviation Authority that:

ARTICLE 1 DEFINITIONS

The following words, terms and phrases wherever used in this Resolution shall have the following meanings:

1.1 Affiliate shall mean any Airline that has signed an Operating Permit or Letter of Authorization and (i) is a parent or wholly owned subsidiary of another Airline, or (ii) operates under essentially the same trade name as another Airline at the Airport and uses essentially the same livery as such other Airline.

1.2 Airfield or Airfield Cost Center shall mean those portions of the Airport, excluding the Terminal Apron, providing for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, runway protection zones, safety areas, infield areas, landing and navigational aids, service roads, fencing, buffer areas, fuel farm, fuel hydrant and delivery systems, clear zones, aviation or other easements, access roadways, perimeter roads, runways, a fully integrated taxiway system, runway and taxiway lights, and other appurtenances related to the aeronautical use of the Airport, including any property

purchased for noise mitigation purposes, as may be designated from time to time by the Authority in its reasonable discretion.

1.3 Airline shall mean a legal entity certificated by the United States Department of Transportation as either a passenger or cargo carrier.

1.4 Airline Equipment shall mean loading bridges, pre-conditioned air, ground power/400Hz, potable water, fire bottles and related equipment used to transport passengers between the Terminal and an aircraft.

1.5 Airline Equipment Charge shall mean the amount payable by an Airline for the use of Airline Equipment, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.6 Airline Equipment Expenses shall mean the aggregate annual cost to the Authority of acquiring and maintaining all Airline Equipment, which cost (a) shall include Debt Service, Operating Expenditures and Amortization, but (b) shall not include the acquisition cost of items purchased by the Authority with PFC's or funds from federal or state grants.

1.7 Airline Premises shall mean those areas in the Terminal or Terminal Aprons assigned to an Airline from time to time, including but not limited to areas assigned in connection with a Letter of Authorization. The use or occupancy of premises at the Airport that is not in the Terminal or on the Terminal Apron (e.g. hangers), and that is leased by an Airline subject to a separate agreement between the Authority and such Airline, shall not be governed by the terms of this Resolution, except to the extent set forth in such separate agreement.

1.8 Airport shall mean Orlando International Airport, owned by the City of Orlando and operated by the Authority, including all real property easements or any other interest therein as well as all improvements and appurtenances thereto, structures, buildings, fixtures, and all tangible personal property or interest in any of the foregoing, now or hereafter owned, leased or operated by the Authority.

1.9 Air Transportation Business shall mean the scheduled or non-scheduled commercial transportation by air of persons, property, mail, parcels and/or cargo.

1.10 Airport System shall mean all real property owned or operated from time to time by the Authority, and any interest therein, including improvements thereto, structures, buildings, fixtures, and other personal property, which comprise part of the Airport, Orlando Executive Airport or any airport hereafter owned by the Authority or by the City of Orlando and leased or operated by the Authority.

1.11 Amortization shall mean the annualized cost of capital assets and projects (including renewal and replacement projects and other expenditures) funded with Authority funds, amortized over the reasonably expected life of the respective asset, project or expenditure, and charged to the Cost Center(s) to which the asset, project or expenditures relates and, within

the Terminal Cost Center, if and to the extent appropriate, to the Baggage System, the FIS or the Airline Equipment Expenses.

1.12 Apron Use Fee shall mean the amount payable by an Airline for the use of the Terminal Apron, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.13 Authority shall mean the Greater Orlando Aviation Authority, created pursuant to Chapter 57-1658, Special Laws of Florida 1957, as replaced by Chapter 98-492, Laws of Florida, as amended, and, for purposes of carrying out and exercising the obligations, rights and duties of such entity hereunder, its board and executive staff, as the context requires.

1.14 Authority Policies and Procedures shall mean the operating rules, policies, procedures, terms, conditions and directives relating to operations at the Airport, as publicly posted or available (e.g. on the Authority's website) or as announced from time to time by the Executive Director or the Executive Director's designee, or as set forth, from time to time, in the Airline Operations Procedures (or similar document), all as may be amended from time to time by the Authority, which amendments shall be effective after reasonable notice to the persons to whom such amendments apply, including, in certain cases, notice by public posting.

1.15 Baggage System shall mean the Inbound Baggage System and the Outbound Baggage System.

1.16 Bond Resolution shall mean the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by the Authority on June 13, 1978, codified on September 17, 2008 and as the same has and may hereafter, from time to time, be amended and supplemented by Supplemental Resolution, as defined in the Bond Resolution.

1.17 Bonds shall mean the Airport Facilities Revenue Bonds issued by the Authority pursuant to the Bond Resolution.

1.18 Chargeable Landings shall mean all Revenue Landings and those Non-Revenue Landings whenever the same aircraft subsequently departs the Airport as a revenue generating flight.

1.19 City shall mean the City of Orlando, Florida.

1.20 Committed Premises shall mean Exclusive Use Premises and Preferential Use Premises assigned to an Airline pursuant to a Letter of Authorization.

1.21 Common Use Baggage Charges shall mean charges payable by the Airlines for use of the Inbound Baggage System and the Outbound Baggage System, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.22 Common Use Premises shall mean Airline Premises, other than Preferential Use Premises and Exclusive Use Premises, that are assigned by the Authority from time to time for use and occupancy by an Airline and paid for on an activity basis, whether by Facility Fee or Common Use Baggage Charges, and shall include, for example, ticket counters, baggage make-up, Baggage System, gates, holdrooms, aprons and loading bridges. Common Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.23 Cost Centers shall mean those distinct areas or functional activities of the Airport System established by the Authority from time to time and used for the purposes of accounting for Revenues, Operating Expenditures, Amortization and Debt Service, and for calculating Rates and Charges.

1.24 Debt Service shall mean any principal, interest, premium, and other fees and amounts either paid or accrued for, or required under applicable documents to be paid or accrued for, Bonds, Subordinated Indebtedness or Other Indebtedness, exclusive of amounts funded by Available PFC Revenues (as defined in the Bond Resolution).

1.25 Deplaned Passenger shall mean any passenger disembarking an aircraft at the Terminal, including any such passenger that (a) shall subsequently board another aircraft of the same or a different Airline or (b) subsequently board or remain on board the same aircraft operating under a different flight number than at the time it landed at the Airport.

1.26 Effective Date shall mean November 1, 2013.

1.27 Enplaned Passenger shall mean any passenger boarding an aircraft at the Terminal, including any such passenger that (a) previously disembarked from another aircraft of the same or a different Airline or (b) disembarked from or remained on board the same aircraft operating under a different flight number than at the time it landed at the Airport.

1.28 Environmental Laws shall have the meaning set forth in Section 17.5(a)(i) below.

1.29 Exclusive Use Premises shall mean those portions of the Terminal available for use and occupancy for a fixed monthly amount, and assigned to an Airline on an exclusive basis. Exclusive Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.30 Executive Director shall mean the Executive Director of the Authority, and shall include such person or persons as may from time to time be authorized in writing by the Authority or by the Executive Director or applicable law to act for the Executive Director with respect to any or all matters pertaining to the operation of the Airport.

1.31 FAA shall mean the Federal Aviation Administration, or its authorized successor(s).

1.32 Facility Fee shall mean a Per Turn fee payable by an Airline for the right to use Common Use Premises assigned to an Airline (other than the Baggage System), for the

processing of passengers and baggage (e.g. gate, check-in counter, queue space, holdroom, bag make-up space and equipment, Airline Equipment, Terminal Apron, etc.), as established from time to time by the Authority based on calculations using the Rate Methodology.

1.33 Fiscal Year shall mean the annual accounting period of the Authority for its general accounting purposes which, as of the Effective Date, is the period of twelve consecutive months, ending with the last day of September of any year.

1.34 FIS shall mean the Federal Inspection Services facilities located in the Terminal.

1.35 FIS Fees shall mean the per person-on-board fee payable by Airlines for the use of the FIS, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.36 FIS Space shall mean those areas in the Terminal used for the processing of arriving international passengers that require federal processing, including associated sterile corridors, customs and immigration control, international baggage claim areas, and federal agency offices.

1.37 Ground Transportation Cost Center shall mean those areas of the Airport designated from time to time by the Authority for public automobile parking, automobile rental agencies, taxi, bus and limousine parking areas, and other nonaeronautical transportation related accommodations and services for the public arriving at or leaving the Terminal, as designated as such from time to time by the Authority.

1.38 Hotel shall mean the hotel facility, including guest rooms, meeting rooms restaurants and lobby areas, located in the landside Terminal building.

1.39 Identified Affiliate shall have the meaning set forth in Section 5.3 below.

1.40 Inbound Baggage System shall mean the Airport space, facilities and equipment used to process passenger bags from the time a bag is removed from an aircraft until it is claimed by, or delivered to, the passenger, including bag claim, bag drop off, and 50% of the tug road, but excluding bag make-up and any remote (non-Terminal) screening facilities and equipment for which the Authority incurs no operational or maintenance costs.

1.41 International Gates shall have the meaning set forth in Section 4.2(a) below.

1.42 Landing Fee shall mean the amount payable by an Airline for the use of the Airfield, as designated from time to time by the Authority based on calculations using the Rate Methodology.

1.43 Letter of Authorization shall mean a written commitment by an Airline, in a form acceptable to the Authority, to use and occupy Committed Premises for a stated duration.

1.44 Maximum Gross Landed Weight shall mean the maximum gross certificated landing weight in one thousand pound units for each aircraft operated at the Airport by an Airline, as certificated by the FAA or its successor.

1.45 Non-Revenue Landing shall mean any aircraft landing by an Airline at the Airport for a flight for which the Airline receives no revenue, which shall include any flight, that after having taken off from the Airport and without making a landing at any other airport, returns to land at the Airport because of meteorological conditions, mechanical or operating causes, or any other reason of emergency or precaution.

1.46 Operating Expenditures (or O&M Expenditures) shall mean all Operating Expenses (reduced by any reimbursements or grants received from governmental entities to offset Operating Expenses), all repair, replacement, operating, maintenance and other reserves (including the Operating Reserve Requirement) required or deemed prudent in the reasonable discretion of the Authority, and expenditures for the purpose of paying the cost of rebuilding, reconstructing, altering, replacing and renewing the facilities of the Airport (other than expenditures of casualty insurance proceeds), and construction and acquisition of improvements to capital assets of the Airport.

1.47 Operating Expenses shall mean all direct, indirect or general administrative, operational and maintenance expenses, paid, payable or accrued, of the Authority to operate, maintain, and conduct ordinary current repairs or replacements of or at the Airport and shall include, without limiting the generality of the foregoing, insurance premiums, insurance claims and related costs, self-insurance retentions, administrative fees, administrative expenses of the Authority, employment compensation and costs, engineering, architectural, legal, accounting and airport consultant fees and costs, replacement and/or repair of all vehicles, rolling stock and moveable equipment, fees and expenses relating to any Bonds not included in Debt Service, and such other current expenses of the Authority incurred in connection with the operation of the Airport. Operating Expenses shall not include any allowance for depreciation or obsolescence of capital assets used at the Airport, or any operating expenses of special purpose facilities buildings where the lessees thereof are obligated to pay such operating expenses. Direct and indirect operating expenses shall be allocated by the Authority from time to time to the Cost Center to which those expenses relate.

1.48 Operating Permit shall mean a written acknowledgment by an Airline, in a form acceptable to the Authority, of the applicability of this Resolution to such Airline's use of the Airfield, Terminal Apron and Terminal space, facilities and equipment.

1.49 Operating Reserve Requirement (or O&M Reserve Requirement) shall mean the operating reserve amount required to be created and maintained in accordance with the Bond Resolution, or, in the absence thereof, such amount deemed reasonable in the discretion of the Executive Director.

1.50 Other Buildings and Grounds Cost Center shall mean those areas of the Airport not in the Airfield Cost Center, Terminal Cost Center, Ground Transportation Cost Center, or Other Cost Center.

1.51 Other Cost Center shall mean those areas of the Airport specifically designated from time to time by the Authority in its reasonable discretion as not belonging in another Cost Center, including, but not limited to, rail corridors, terminals and operations.

1.52 Other Indebtedness shall mean any debt incurred by the Authority for Airport purposes which is outstanding and not authenticated and delivered under and pursuant to the Bond Resolution or any Subordinated Bond Resolution.

1.53 Outbound Baggage System shall mean the Airport space, facilities, and equipment used to process passenger bags from the time a bag is checked until it is loaded on an aircraft, including the in-line baggage handling system and 50% of the tug road, but excluding bag make-up and any remote (non-Terminal) screening facilities and equipment for which the Authority incurs no operational or maintenance costs.

1.54 Passenger Facility Charge (or PFC) shall mean the fees authorized by 49 U.S.C. 40117 and regulated by 14 CFR Part 158 as such statute and regulations currently exist or as they may be amended.

1.55 Performance Security shall have the meaning set forth in Section 7.6(a) below.

1.56 Per Turn shall mean a single inbound and outbound flight operation, for which an Airline uses certain Terminal space, facilities and/or equipment, other than Committed Premises.

1.57 Preferential Use Premises shall mean those portions of the Terminal and Terminal Aprons assigned to an Airline pursuant to a Letter of Authorization for use and occupancy for a fixed monthly amount and to which such Airline will have scheduling priority over other users. Preferential Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.58 Public Space shall mean all public sidewalks, stairways, hallways, corridors, elevators, escalators, entrance-ways, lobbies and waiting areas, passenger screening areas, passenger transit system, restrooms, and other similar areas made available by the Authority from time to time for use by passengers, Authority and Airline employees, and other members of the public; areas used by the Orlando Police Department and TSA that are not rented; and areas used for the operation, maintenance or security of the Terminal, even if used solely by the Authority (such as utility rooms, ductways, janitorial rooms and closets), as such may be designated from time to time.

1.59 Rate and Revenue Sharing Agreement shall mean an agreement between one or more Airlines and the Authority, whereby the Authority agrees to share with such Airlines certain net Revenues, as set forth in such agreement.

1.60 Rate Methodology shall mean the formulas, methods and calculations used to derive Rates and Charges, as such are adopted by the Authority from time to time and set forth in a rate book or rate package that is delivered to Airlines, published or otherwise made available for review each year, but exclusive of any tables or other attachments thereto.

1.61 Rates and Charges shall have the meaning set forth in Section 7.1 below.

1.62 Rentable Space with respect to the Terminal shall mean the areas in the Terminal that are rentable to tenants, including office and administrative space used by the Authority, but specifically excluding Public Space, FIS Space and Hotel space; as such may be determined from time to time by the Authority. Untenable areas committed for leasing to a future tenant when renovated shall not be considered rentable during the period of such commitment until the lease period commences.

1.63 Resolution shall mean this resolution, including the Rate Methodology and resulting Rates and Charges incorporated herein, as modified, amended or replaced by the Authority from time to time.

1.64 Revenue Landing shall mean any aircraft landing by an Airline at the Airport for which such Airline receives revenue.

1.65 Revenues shall mean income received or accrued by the Authority in accordance with generally accepted accounting practices, including investment earnings, from or in connection with the ownership or operation of the Airport or any part thereof, or the leasing or use thereof; provided, however, Revenues shall specifically exclude: (a) gifts, grants and other funds which are restricted by their terms to purposes inconsistent with the payment of general Operating Expenses or payment of Debt Service; (b) insurance proceeds; (c) any gain from the sale, exchange or other disposition of real property of the Airport, (d) any unrealized gains on securities held for investment by or on behalf of the Authority; (e) any gains resulting from changes in valuation of any Swap; (f) any unrealized gains from the reappraisal or revaluation of assets; (g) the proceeds of debt; (h) Passenger Facility Charges and the interest earned therefrom, (i) customer facility charges and interest earned therefrom; (j) investment income derived from any moneys or securities placed in escrow or trust to defease Debt Service; (k) any arbitrage earnings which are required to be paid to the United States of America pursuant to Section 148 of the Code; (l) any exclusions from the definition of Revenues in the Bond Resolution, (m) Available PFC Revenues (as defined in the Bond Resolution) whether applied to Debt Service, or deposited into the PFC Fund, and (n) interest earnings or other investment earnings on any account in the construction fund established by any supplement to the Bond Resolution unless otherwise provided in such supplement.

1.66 Subordinated Indebtedness shall mean any bonds or other financing instrument or obligation subordinate to the Bonds, issued pursuant to any Subordinated Bond Resolution.

1.67 Subordinated Bond Resolution shall mean a bond resolution, indenture or related document granting a pledge subordinate to the pledge granted by the Bond Resolution, and

authorizing the issuance by the Authority of Subordinated Indebtedness, as such may be supplemented or amended from time to time.

1.68 Substantial Completion shall mean the date on which the Authority's architects and/or engineers certify any premises at the Airport to be substantially complete as to permit use and occupancy sufficient for its intended use.

1.69 Terminal or Terminal Cost Center shall mean the passenger terminal building, including all landside and airside passenger terminal facilities, and, to the degree appropriate, access roadways, tunnels, sidewalks and people mover systems used to access the terminals, as such may be designated from time to time by the Authority.

1.70 Terminal Aprons shall mean those areas of the Airport surrounding the Terminal that are designated for the parking, including overnight parking and remote parking, of passenger aircraft, support vehicles and equipment, the loading and unloading of passenger aircraft, and taxi lanes for circulation.

1.71 Terminal Premises Rate shall be the amount per square foot payable by the Airlines for the use or occupancy by the Airlines of Committed Premises and other Exclusive Use Premises, as designated from time to time by the Authority based on calculations using the Rate Methodology.

1.72 Transition Period shall have the meaning set forth in Section 3.2 below.

1.73 TSA shall mean the Transportation Security Administration of the Department of Homeland Security, or any successor.

Additional words and phrases used but not defined herein shall have the meanings as defined under the Bond Resolution or, if not so set forth, shall have their usual and customary meaning.

ARTICLE 2
EFFECTIVE DATE AND LEASE AGREEMENTS

2.1 Effective Date. This Resolution, along with the determination of Rates and Charges set forth herein, shall be effective on the Effective Date, and shall continue in effect until modified, amended or terminated by the Authority.

2.2 Lease Agreements.

(a) At the Effective Date, any and all agreements between Airlines and the Authority for the lease and use of the Airfield and Terminal facilities at the Airport, shall terminate and be of no further force and effect, except that (a) any obligations of payment by either an Airline or the Authority to the other under such agreements, (b) any approvals for capital projects, and (c) any other obligations intended to survive termination pursuant to the terms of such agreements, shall survive termination until such obligations have been satisfied.

(b) During the period from October 1, 2013 to the Effective Date (the "Holdover Period"), Airlines that are party to the Airline-Airport Lease and Use Agreement expiring September 30, 2013 ("LUA Agreement") shall be in holdover status in accordance with the terms of the LUA Agreement.

(c) Airlines that enter into retroactive Letters of Authorization during the Transition Period, as described in Section 3.2(a), shall be deemed to have made the same retroactive commitments for leased space under the LUA Agreement for the Holdover Period as were made for Committed Premises during the Transition Period under such Letters of Authorization. The Authority shall recalculate amounts payable by each Airline during the Holdover Period under the LUA Agreement based on retroactively revised amounts of leased space and such Airline's actual use of space, and to the extent an Airline paid more during the Holdover Period than would have been due had invoices been based under the LUA Agreement on the retroactive commitments for leased space, the Authority shall apply such excess to Airline's next subsequent invoices. There shall be no adjustment hereunder for a retroactive increase in leased space unless specifically requested by an Airline, but, in all cases, Airlines shall be charged for, and shall pay, for all space used by Airlines during the Holdover Period in accordance with the terms of the LUA Agreement.

ARTICLE 3
APPLICABILITY OF RESOLUTION AND TRANSITION PROVISIONS

3.1 Applicability of Resolution. This Resolution shall apply to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms hereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to the Effective Date of this Resolution or prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions hereof, including in particular the Rate Methodology and the Rates and Charges described or authorized herein.

3.2 Transition Period.

(a) Notwithstanding anything herein to the contrary, Airlines shall be permitted to sign and deliver to the Authority Letters of Authorization for Committed Premises through December 31, 2013 and have such Letters of Authorization apply retroactively to the Effective Date (the period from the Effective Date through December 31, 2013 referred to herein as the "Transition Period"). During the Transition Period, the Authority shall monitor and, as requested, each Airline shall report, all activity by each Airline, and all use by each Airline of the premises, facilities and equipment, in the Terminal Cost Center, Airfield Cost Center and Terminal Apron. As a result of such information, the Authority shall use reasonable efforts to determine appropriate Rates and Charges for the Transition Period, based on such activity and use and the Committed Premises applicable to each Airline on the Effective Date pursuant to a retroactive Letter of Authorization. For example, whether the use of a gate, holdroom, ticket counter and corresponding queue space is charged a Facility Fee or under an Airline's Committed Premises shall be determined by an analysis of overlapping dwell times in the manner described in Section 4.2(b) below for International Gates. All reasonable determinations of use and occupancy by the Authority shall be final and binding on the Airlines.

(b) During the Transition Period, each Airline will be invoiced, and shall pay, for the use of the Airfield, Terminal and Terminal Apron at the same rates as such Airline was paying at the end of Fiscal Year 2013, until the first month after an effective Letter of Authorization is signed and delivered to the Authority by such Airline, after which such Airline will be invoiced, and shall pay, Rates and Charges calculated in accordance with the Rate Methodology. As soon as possible following the Transition Period, the Authority shall calculate the Rates and Charges each Airline should have paid had all invoices issued during the Transition Period been based on Rates and Charges calculated under this Resolution in light of the retroactive Letters of Authorization, and (i) to the extent an Airline paid more than what would have been invoiced under this Resolution, the Authority shall apply such excess to Airlines next subsequent invoices or (ii) to the extent an Airline paid less than what would have been invoiced under this Resolution, such Airline shall pay such shortfall to the Authority within thirty (30) days after receipt of an invoice for such shortfall.

(c) Notwithstanding the adjustments described in 3.2(b) above, all Airline payments and activity during or with respect to the Transition Period shall be subject to a year-end true up pursuant to Section 7.1(c).

ARTICLE 4 TERMINAL PREMISES

4.1 Use and Occupancy of Terminal Premises.

(a) Unless an Airline enters into a Letter of Authorization for Committed Premises, Airlines shall use such Terminal space, facilities and equipment (e.g. gates, holdrooms, ticket counters and corresponding queue space, bag make up, administrative offices, club space, ramp operations and crew base facilities) as shall be assigned to them from time to time by the Authority. Use of particular Baggage System equipment (e.g. bag claim devices) shall be assigned by the Authority to Airlines from time to time based on operational efficiencies and Airline needs. All such assignments shall be made by the Authority after consultation with, or receipt of information from, an Airline regarding such Airline's anticipated space, facilities and equipment needs, or, in the absence of any consultation or receipt of information, after a reasonable evaluation by the Authority of such Airline's anticipated space, facilities and equipment needs.

(b) Except as set forth in Section 4.2 below with respect to International Gates, Airlines assigned specific Committed Premises pursuant to a Letter of Authorization shall be entitled to the exclusive or preferential use of such Committed Premises, as applicable, for the applicable term set forth in such Letter of Authorization.

(c) At such time as (a) the Airline Premises are, in the reasonable discretion of the Executive Director, insufficient to support an Airline's operations, (including operations of an Identified Affiliate), as evidenced by actual use or occupancy by such Airline of space, facilities or equipment not assigned to such Airline, either under a Letter of Authorization or on a Per Turn basis, and such Airline fails to promptly and permanently vacate use or occupancy of such unassigned space, facilities or equipment following notice from the Authority to vacate such premises, or (b) use of the Airline Premises exceeds the legal capacity for such space, facilities or equipment, the Authority shall be entitled to assign and charge to such Airline additional space, facilities or equipment on a Per Turn basis reasonably sufficient for such Airline's needs. Alternatively, such Airline may commit to occupy and use such space, facilities or equipment in accordance with a Letter of Authorization.

(d) Each Airline shall accept the Airline Premises assigned to it, "as is". The Authority shall have no obligation to do any work on, or make any improvements to or with respect to, the Airline Premises or the condition thereof, unless otherwise specifically agreed to by the Authority.

(e) The Authority may, in its reasonable discretion, (i) make changes in the Airport boundaries, the categories of space (e.g. Public Space to Rentable Space) or the configuration or amount of space, and (ii) identify new, destroyed, demolished, untenable, decommissioned or re-commissioned facilities or space. In any such event, or upon any change in Committed Premises made hereunder, the Authority may amend any applicable Letters of Authorization, and, upon notice to the affected Airline, such amended Letter of Authorization

shall replace any prior Letter of Authorization; provided, however, that Rates and Charges for any changes in Committed Premises hereunder may not be increased by any material amount without the agreement of the affected airline.

(f) The Authority may, from time to time, establish minimum or maximum space, facilities and/or equipment usage requirements, pursuant to Authority Policies and Procedures. For example, Airlines desiring to use a gate and holdroom on either a Per Turn basis or pursuant to a Letter of Authorization may be assigned a corresponding minimum amount of ticket counter and related queue space.

4.2 International Gates.

(a) Because of the limited number of gates available to be used for incoming international flights bringing passengers that must be processed or cleared through the FIS ("International Gates"), an Airline that includes an International Gate and holdroom as part of its Committed Space will receive preferential occupancy and use for scheduled flights of one or more International Gates, as assigned from time to time by the Authority, but not preferential occupancy and use of any particular International Gate.

(b) All flights of an Airline that has included one International Gate as part of its Committed Premises, shall be considered to have used, and shall be charged as if it used, a single International Gate as part of its Committed Premises, even if such flights are assigned by the Authority to different International Gates, but only if such flights using International Gates do not have overlapping dwell times (i.e., such flights could have used the same International Gate if they were assigned by the Authority to the same International Gate). If any flights of an Airline that has included one International Gate as part of its Committed Premises, have overlapping dwell times at International Gates, only one of such flights shall be deemed to have used, and shall be charged as if it used, an International Gate as part of its Committed Premises, and the other overlapping flights shall be charged a Facility Fee for use of an International Gate on a Per Turn basis. An Airline that includes two International Gates as part of its Committed Premises may have up to two flights with overlapping dwell times charged as if it used two International Gates as part of its Committed Premises.

(c) Dwell time and excess dwell time charges shall apply to International Gates included as part of an Airline's Committed Premises, as set forth in the Authority Policies and Procedures. Overnight parking locations at International Gates shall be assigned by the Authority, with Airlines that have included an International Gate as part of its Committed Premises entitled, at no additional cost, to one assigned overnight parking location at an International Gate or a remote overnight location for each International Gate included as part of Committed Premises. The time when an aircraft may begin and a time when an aircraft must end overnight parking at an International Gate shall be established from time to time by Authority Policies and Procedures.

4.3 Letters of Authorization.

(a) Letters of Authorization may be signed by an Airline at any time in order to classify Airline Premises as Committed Premises, but shall not be effective until signed by the Authority. Letters of Authorization may be for any duration of three (3) months or longer, and may expire at the end of any month; provided that Letters of Authorization for Preferential Use Premises may only expire at the end of a Fiscal Year.

(b) Airlines beginning operations at the Airport may be granted by Authority Policies and Procedures a period of time following the commencement of operations to sign a Letter of Authorization having an effective date retroactive to the date operations commenced.

(c) The Authority may assign to an Airline the right to use or occupy another Airline's (the "Committed Airline") Preferential Use Premises, but only if such Preferential Use Premises is not being used or scheduled for use by the Committed Airline. The Committed Airline shall not be entitled to any Rates and Charges or other fees paid by the Airline using its Preferential Use Premises on account of such use.

(d) Letters of Authorization may not be signed for, and Committed Premises may not include, any portion of the Baggage System, which shall be assigned by the Authority from time to time based on operational considerations and shall be paid for by the Airlines using the Baggage System in accordance with the Common Use Baggage Charges.

4.4 Transfer of Operations.

(a) In the event new or expanded facilities are developed at the Airport, and the Authority either agrees, or determines under 4.4(b), to relocate an Airline's Committed Premises, in whole or in part, to the new or expanded facilities, the Authority shall give notice to such Airline of the estimated Substantial Completion date at least ninety (90) days prior thereto. A relocated Airline may install in its Committed Premises in such new or expanded facilities, its own equipment and furnishings, subject to the Authority Policies and Procedures, no earlier than sixty (60) days prior to the estimated date of Substantial Completion. Such Airline shall begin its operations from any new or expanded Committed Premises on the date of Substantial Completion thereof, unless otherwise directed by the Authority.

(b) The Authority may at any time, and from time to time, relocate an Airline's Committed Premises to alternative Terminal locations and facilities if the Authority determines that such relocation is required to accommodate a new Airline, to make available sufficient contiguous space to accommodate the expansion or growth of another Airline, to replace damaged or destroyed premises, or to utilize Airport Terminal facilities in a fair and efficient manner; provided that (1) the Authority will provide any affected Airline at least ninety (90) days advance notice of such relocation, (2) except as described below, the Authority will reimburse the reasonable out of pocket costs incurred by such Airline to complete such relocation (including, without limitation, all installation costs), and (3) the new Committed Premises shall be comparable in size (e.g. 30 feet of counter space to approximately 30 feet of

counter space) and character (e.g. 2 gates to 2 gates), though not necessarily identical or comparable in square footage, quality, appearance, layout or appointments, to the Committed Premises being vacated. The Authority shall have no obligation to reimburse an Airline for costs incurred by such Airline to relocate such Airline's Committed Premises, if such relocation was requested by Airline or determined by the Authority as being necessary, in the reasonable judgment of the Authority, to accommodate such Airline's expansion or growth.

(c) An Airline may request in writing that the Authority relocate any Airline Premises, which request may be accepted or denied by the Authority in its exclusive discretion. An Airline shall pay all costs of any relocation requested by an Airline, including any costs necessary to relocate another Airline in order to accommodate the requesting Airline's relocation.

(d) No relocation of Airline Premises, either temporarily or permanently, shall have any effect on Airline's obligation to pay Rates and Charges herein, except for any change caused by a difference in the total Rentable Space for Committed Premises assigned under a Letter of Authorization. If an Airline's cost increases as a result of an unrequested relocation of Committed Premises, such Airline may, within thirty (30) days after such relocation, terminate the LOA with regard to such new Committed Premises.

(e) No Airline shall have any continuing use or occupancy rights in any assigned Airline Premises not covered by a Letter of Authorization, and the Authority may reassign such Airline Premises at any time, and from time to time, in its exclusive discretion.

4.5 Terminal Equipment. Terminal equipment owned or acquired by the Authority for use by Airlines shall remain the property, and under the control, of the Authority.

ARTICLE 5
USE OF THE AIRPORT AND RELATED FACILITIES

5.1 Permitted Airline Activities. Each Airline may, subject to its compliance with this Resolution and Authority Policies and Procedures, use, in common with others so authorized by the Authority, all Airline Premises, including related space, facilities, equipment, Public Space, the Airfield Cost Center and Terminal Aprons for the operation of each Airline's Air Transportation Business and all activities reasonably necessary to such operations, including but not limited to:

(a) The landing, taking off, flying over, taxiing and towing of aircraft and, in areas designated or approved by the Authority, the extended parking, servicing, deicing, loading or unloading, storage, or maintenance of aircraft and support equipment subject to Sections 5.1(f), 5.1(g), and 5.2(c) below and to the availability of space; provided, however, an Airline may not permit the use of the Airfield by any aircraft operated or controlled by such Airline which exceeds the design strength or capability of the Airfield as described in the then-current FAA approved Airport Layout Plan or other engineering evaluations performed subsequent thereto, including the then-current Airport Certification Manual.

(b) The sale of air transportation tickets and services, the processing of passengers and their baggage for air travel, the sale, handling, and providing of mail, freight, cargo and express services, and reasonable and customary airline activities.

(c) The training of employees or prospective employees and the testing of aircraft and other equipment being utilized at the Airport in areas designated or approved by the Authority; provided, however, such training and testing must be incidental to the use of the Airport in the operation by such Airline of its Air Transportation Business and shall not unreasonably hamper or interfere with the use of the Airport and its facilities by others. The Authority may restrict or prohibit any such training and testing operations that it deems to interfere with the use of the Airport.

(d) The sale, disposition, or exchange of aircraft, engines, accessories, gasoline, oil, grease, lubricants, fuel, or other similar equipment or supplies; provided, however, an Airline may not, and must cause its agents not to, sell or permit to be sold aviation fuels or propellants except (i) to any Airline that is a successor company to the selling Airline, (ii) for use in aircraft of others that are being used solely in the operation of selling Airline's Air Transportation Business, including, but not limited to, such Airline's Affiliates, (iii) when a comparable grade and type of fuel desired by others is not available at the Airport except from the selling Airline, or (iv) in accordance with sales of fuel through the Airport's fuel hydrant system, to the extent the Authority has authorized by an agreement one or more Airlines or an entity owned by one or more Airline to operate the fuel flowage systems at the Airport.

(e) The purchase at the Airport or elsewhere, of fuels, lubricants, and any other supplies and services, from any person or company, subject to Section 5.1(d) and to the Authority's right to require that each provider of services and/or supplies secures a permit from

the Authority to conduct such activity at the Airport, pays required fees, and abides by all reasonable rules and regulations established by the Authority. Nothing herein shall be construed to permit an Airline to store aviation fuels at the Airport. The granting of the right to store and dispense aviation fuels shall be subject to the execution of a separate agreement between an Airline and the Authority. Fuel tenders are prohibited on Terminal Aprons serviced by the fuel hydrant system.

(f) The servicing of aircraft and other equipment being utilized at the Airport on the Terminal Aprons or such other locations as may be designated by the Authority Policies and Procedures; provided that routine servicing or maintenance of ground equipment on Terminal Aprons is not permitted, unless specifically authorized by the Authority.

(g) The loading and unloading of persons, property, cargo, parcels and mail by motor vehicles or other means of conveyance reasonably approved by the Authority on Terminal Aprons or such other locations as may be designated by the Authority Policies and Procedures; provided an Airline shall not use Terminal Aprons immediately adjacent to the Terminal to load or unload all-cargo aircraft unless otherwise authorized in writing by the Authority.

(h) The provision, either alone or in conjunction with others, or through a nominee, of porter/skycap service for the convenience of the public.

(i) The installation and maintenance of identifying signs in an Airline's Committed Premises; provided that any permanent signage may not be installed in any Preferential Use Premises or in any space used on a Per Turn basis without the prior consent of the Authority, which may be withheld in the Authority's exclusive discretion. All signage shall be subject to the Authority Policies and Procedures. Furthermore, the general type and design of such signs shall be compatible with and not detract from the pattern and decor of the Terminal areas, in the exclusive discretion of the Authority. Subject to the foregoing, Airlines may install on the walls behind ticket counters or in holdrooms, whether occupied in accordance with a Letter of Authorization or used on a Per Turn basis, temporary signage on Authority provided LCD monitors identifying such Airline, displaying such Airline's company logo or other content, subject to the approval of the Authority; provided that any such installation must be performed in accordance with the Authority Policies and Procedures.

(j) The installation, maintenance, and operation of such radio communication, company telephone system, computer, meteorological and aerial navigation equipment and facilities on Committed Premises as may be necessary or convenient for the operation of an Airline's Air Transportation Business; provided, however, that (1) such installations and the subsequent use of such equipment shall be subject to applicable law, regulation and the Authority Policies and Procedures, including Section 5.2(g) below, (2) the location of all such equipment and facilities shall be determined by the Authority in its exclusive discretion, (3) the Authority's telephone system must be used in all locations other than Exclusive Use Premises, and (4) any use of wireless communications systems not provided by the Authority shall not interfere with any the Authority wireless communications system. Subject to Authority Policies

and Procedures, an Airline may install in the holdroom of any Committed Premises such Airline's Gate Information Display System (GIDS). The Authority shall have unrestricted access to all communication equipment owned or used by an Airline and located on Airline Premises, if any of the Authority equipment or systems interfaces with such equipment. Prior to any such installation, an Airline shall provide the Executive Director with all necessary supporting documentation related to such installations. All Airlines are required to use the Authority's compatible multi-user flight information display systems (MUFIDS); provided that an Airline may install and maintain its own MUFIDS if it is compatible in all material respects, in the exclusive discretion of the Authority, with the Authority's MUFIDS.

(k) Such rights of way as may reasonably be required by an Airline for communications, computer equipment, telephone, interphone, conveyor systems and power, and other transmission lines in Airline's Committed Premises, subject to the availability of space and/or ground areas as determined by Authority Policies and Procedures. The Authority may require the execution of a separate agreement between the Authority and an Airline for the lease and use of space and/or ground area outside Terminal areas or for the provision of such service directly to an Airline.

(l) The installation of personal property, including furniture, furnishings, supplies, machinery, and equipment, in an Airline's Exclusive Use Premises and, subject to prior approval by the Authority, Preferential Use Premises, as such Airline may deem necessary, useful or prudent for the operation of its Air Transportation Business. Title to such personal property shall remain with such Airline, except as otherwise provided herein.

(m) The construction of modifications, finishes and improvements in an Airline's Exclusive Use Premises and, subject to the prior approval of the Authority, Preferential Use Premises as such Airline may deem necessary or prudent for the operation of its Air Transportation Business, subject to the Authority Policies and Procedures and subject to Section 9.1.

(n) An Airline shall have rights of ingress to and egress from the Airport and its Airline Premises for its Airline's officers, employees, agents, and invitees, including passengers, suppliers of materials, furnishers of services, aircraft, equipment, vehicles, machinery and other property, subject to 49 CFR Part 1542, the airport security program, applicable laws, and any Authority Policies and Procedures governing (i) the general public, including passengers, (ii) access to non-public areas at the Airport by an Airline's employees, suppliers of materials, and furnishers of services, or (iii) safety and security. In addition to the foregoing, the Authority may at any time temporarily or permanently close, re-route, or consent to or request the closing or re-routing of any roadway or access to the Airport, so long as a means of ingress to and egress from the Airport and the Airline Premises is concurrently made available to each Airline. Each Airline hereby releases and discharges the Authority from any and all claims, demands, or causes of action which each such Airline may now or at any time hereafter have arising or alleged to arise out of such a closing or re-routing. The Authority shall have no liability or obligation to an Airline for temporary blockages or closings of means of ingress to or

egress from the Airport and the Airline Premises caused by factors beyond the reasonable control of the Authority.

(o) Subject to any restrictions in the Authority's agreements with its food and beverage concessionaires, nothing in this paragraph shall prohibit an Airline from (i) providing food and beverages, at such Airline's sole cost and expense, or installing or maintaining vending machines or credit union automated teller machines in its non-public Exclusive Use Premises or, subject to the prior approval of the Authority, its non-public Preferential Use Premises, for the sole use of such Airline's employees, the type, kind, and locations of such machines being subject to the Authority Policies and Procedures, (ii) providing, under a separate agreement with the Authority and subject to the Authority Policies and Procedures, including the payment of fees based on gross receipts, for its own flight kitchen or for catering services to its passengers and crews for consumption aboard aircraft, (iii) entering into a separate agreement if required by the Authority for the distribution without charge of food and beverage in a non-public "VIP room" or similar private club at the Airport, or (iv) selling food and beverages, including alcoholic beverages, to VIP room or private club members in such Committed Premises, subject to the payment to the Authority of a percentage of sales as determined by Authority Policies and Procedures. Airlines may not conduct or permit the sale of food or beverages to passengers in holdroom areas.

(p) An Airline may exercise on behalf of any other Airline that has signed a Letter of Authorization or Operating Permit in favor of the Authority any of the activities permitted herein, so long as such Airline is concurrently performing the same activities in the operation of its own Air Transportation Business at the Airport, subject to the Authority's Policies and Procedures.

(q) An Airline may only enter into revenue generating agreements, such as for advertising or the provision of pay telephones by the public, in its non-public Exclusive Use Premises (e.g. airline clubs and VIP rooms), and shall not enter into any such revenue generating agreements anywhere else within the Terminal.

5.2 Prohibited Activities and Authority Activities.

(a) Airlines are prohibited from conducting any business or engaging in any activities at the Airport other than the conduct of its Air Transportation Business, except as otherwise permitted by the Authority.

(b) Airlines shall not knowingly interfere or permit interference by its contractors, agents, permittees, and invitees with the use, operation, or maintenance of the Airport, including but not limited to, the effectiveness or accessibility of the drainage, sewage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at the Airport; and Airlines shall not engage in any activity prohibited by the Authority's approved FAR Part 150 Noise Compatibility Study, as may be amended or supplemented from time to time.

(c) As soon as reasonably possible after an Airline's disabled aircraft is released from the control or jurisdiction of all applicable authorities, an Airline shall remove any such disabled aircraft from the Airfield and Terminal Aprons, shall place any such disabled aircraft only in such storage areas as may be reasonably approved by Authority Policies and Procedures, and shall store such disabled aircraft only upon such terms and conditions as may be established by the Authority. In the event a disabled aircraft is not removed as expeditiously as is reasonably possible, the Authority may, but shall not be obligated to, cause the removal of such disabled aircraft. In such case, the owner of such aircraft shall pay to the Authority, upon receipt of an invoice therefor, the costs incurred for such removal plus ten percent (10%).

(d) Airlines shall not do or permit to be done anything, either by act or failure to act, that shall cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that shall cause a hazardous condition so as to increase the risks normally attendant upon operations permitted at an airport. If an Airline shall do or permit to be done any act not permitted hereunder, or fail to do any act required hereunder, which act or failure, in and of itself, causes an increase in the Authority's insurance premiums, such Airline shall immediately remedy such actions and/or pay the increase in premiums, upon notice from the Authority to do so.

(e) An Airline shall not maintain or operate in the Terminal or elsewhere at the Airport a cafeteria, restaurant, bar, or cocktail lounge for the purpose of selling food and beverages to the public or to its employees and passengers, except as may be permitted herein or by Authority Policies and Procedures.

(f) The Authority may, at its sole option, install or cause to be installed advertising and revenue generating devices or concessions, including vending machines and power poles, anywhere in the Airport other than an Airline's Exclusive Use Premises; provided, however, that any advertising in an Airline's Preferential Use Premises shall not promote competing Airlines, power poles will only be installed in holdrooms assigned to an Airline as Preferential Use Premises with such Airline's prior consent, and such installations shall not unreasonably interfere with such Airline's operations authorized hereunder or diminish the square footage contained in Committed Premises in a material way. The Authority may also, at its sole option, install pay telephones and business center amenities in any part of the Terminal, excluding Committed Premises. The Authority shall be entitled to access upon Airline Premises to install or service such telephones, vending machines and amenities.

(g) The Authority may install anywhere in the Terminal, and require use of, a Common Use Passenger Processing System (CUPPS), Common Use Self-Service (CUSS) equipment, Common Use Terminal Equipment (CUTE) and/or other equipment designed to facilitate the handling and processing of passengers and baggage in the Terminal. The Authority shall be entitled to reasonable access upon Committed Premises to install and maintain such hardware/software for any of such equipment.

(h) The Authority may, for a fee established by the Authority from time to time, make area(s) at the Airport available for vehicular parking and provide transportation to the

Terminal for Airline personnel employed at the Airport; provided, however, such area(s) shall not be used for the storage of vehicles or trailers, and usage of the area(s) is subject to Authority Policies and Procedures.

(i) All activities of an Airline Permitted hereunder, and in particular this Article 5, shall be subject to Authority Policies and Procedures.

5.3 Affiliates. Upon written request by an Airline to the Authority, and provided the requirements of this Section are satisfied, any Affiliate of such Airline identified in such written request (“Identified Affiliate”) may use the Airline Premises assigned to such Airline, provided the Identified Affiliate shall pay the applicable Rates and Charges for such Airline Premises (a) for as long as the Identified Affiliate remains an Affiliate of such Airline, and (b) only if the Identified Affiliate enters into an Operating Permit or Letter of Authorization for operations at the Airport. Each Airline making such written request shall be deemed to have agreed to guaranty full payment of all Rates and Charges incurred by its Identified Affiliates at the Airport. The Authority may invoice an Airline and its Identified Affiliates separately for amounts owed hereunder, or may invoice an Airline for the aggregate amounts owed by such Airline and its Identified Affiliates hereunder. Each Airline shall be responsible to pay any and all unpaid Rates and Charges of any Identified Affiliate for which it receives an invoice or, if an Airline does not receive an invoice with the Identified Affiliate's Rates and Charges, a notice of non-payment by the Identified Affiliate issued by the Authority, which payment by the Airline shall be made on the due date of such invoice or within fifteen (15) days after receipt of the notice of non-payment, whichever applies, and any failure of an Identified Affiliate to pay such amounts when due shall be deemed a failure of such Airline. An Airline may at any time give the Authority at least thirty (30) days prior written notice that an Affiliate shall no longer be considered an Identified Affiliate of such Airline, and such Airline shall have no responsibility for any Rates and Charges incurred by the Affiliate after the conclusion of such notice period, but shall remain liable for Rates and Charges incurred by the Affiliate prior to the conclusion of such notice period.

5.4 Airline Requirements.

(a) Each Airline shall hold all certificates, permits, licenses, insurance or other entitlements required by federal, state or local laws, rules, or regulations in order to enable it to conduct its operations and engage in the Air Transportation Business at the Airport, and that said certificates, permits, licenses or other entitlements are and will be kept current, valid and complete throughout the duration of Airline's operations at the Airport.

(b) Each Airline shall, at its sole cost and expense, comply and cause its employees, agents, contractors, licensees and invitees to comply, with all present and future applicable laws, rules or regulations of all applicable federal, state and local governmental or quasi-governmental authorities, subdivisions, departments, agencies and the like, including the Authority Policies and Procedures. Each Airline shall obtain any permits necessary to occupy the Airline Premises and shall promptly pay all fines, penalties, and expenses to remedy or correct

any violations of applicable laws, and damages that may arise out of or be imposed because of its failure to comply with the provisions of this paragraph.

(c) Each Airline shall faithfully observe and comply with any Authority Policies and Procedures.

(d) Except as otherwise provided herein or in the Authority Policies and Procedures, each Airline shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice for its operations at the Airport, provided that the Authority may license and regulate all persons or companies doing business on the Airport and impose charges for the privilege of conducting any such business and prohibit persons from engaging in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport, except in accordance with agreements, concession contracts, permits or operating agreements entered into between the Authority and such persons. Notwithstanding any Authority Policies and Procedures to the contrary, a service provider properly operating at the Airport shall not be required to pay the Authority a percentage of revenues received in connection with the performance of services (e.g. ground handling) for any Airline or its Identified Affiliate, while such Airline is party to a Rate and Revenue Sharing Agreement and is not in breach thereof. (Please see Section 15.2 for an exclusion from the requirement to pay fees to the Authority for ground handling and other services provided by an Airline.)

(e) Each Airline shall comply with all applicable state and federal regulations relating to Airport security and shall control the Airline Premises so as to prevent or deter unauthorized persons from obtaining access to the air operations area of Airport. Each Airline shall also take such security precautions, with respect to the Airline Premises and the Airline's operations and service personnel related thereto, as the Authority may, from time to time, reasonably require pursuant to the Authority Policies and Procedures. Each Airline shall reimburse the Authority for all fines or charges imposed by any applicable governmental authority against the Authority as a result of such Airline's violation of any laws, rules and regulations promulgated by such governmental authority.

(f) Each Airline acknowledges that a portion of the Airline Premises is to be used by the traveling public. Each Airline shall make available such space to its passengers and to the traveling public on a nondiscriminatory basis, including ensuring accessible paths of travel for disabled persons, and shall make reasonable efforts to coordinate its activities and operations with abutting tenants and the Authority, so as to maximize efficient use of available space.

(g) No Airline may injure, deface or otherwise harm their respective Airline Premises in any manner that will constitute waste, and shall not cause or permit any unlawful conduct, unreasonable annoyance or nuisance to exist on the Airline Premises, nor permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance or nuisance, nor permit the emission of any objectionable noise, vibration or odor, nor overload the floor of the Airline Premises, nor permit any use of the Airline Premises which will invalidate or increase the premiums on any of the Authority's insurance; provided that the conduct of the

Airline's Air Transportation Business in accordance with applicable law shall not be deemed a nuisance or an unreasonable annoyance.

(h) Each Airline shall participate in any lawful Airport-wide programs or initiatives of general applicability as the Authority may require upon notice to such Airline, provided such program or initiative shall not result in any material cost or expense or result in any undue burden to such Airline.

ARTICLE 6 OPERATION AND MAINTENANCE OF THE AIRPORT

6.1 Designation of Operation and Maintenance Responsibilities. In addition to the obligations of the Airlines set forth in this Article 6, each Airline shall have those responsibilities for maintenance, cleaning, and operation of the Airport as shall be set forth in the Authority Policies and Procedures. The Airlines shall each timely perform all such obligations.

6.2 Airline Obligations.

(a) Each Airline shall, at all times, preserve and keep its Airline Premises, including loading bridges and related equipment, in an orderly, clean, neat, and sanitary condition, free from trash and debris resulting from such Airline's operations.

(b) Each Airline shall keep, at its own expense, its assigned Terminal Apron space free of fuel, oil, debris, and other foreign objects.

(c) Each Airline shall operate and maintain, at its own expense, any improvements and/or equipment installed by such Airline for the exclusive use of such Airline or its passengers.

(d) Each Airline shall perform such other routine operational and maintenance responsibilities as may be established from time to time by the Authority Policies and Procedures.

(e) No Airline may store any obsolete or derelict equipment on any Airline Premises, and shall promptly remove any such equipment following notice from the Authority to do so.

(f) Should an Airline fail to perform any of its material obligations hereunder, or if the Authority is requested, or, in order to maintain the Airport as a first class facility, deems it necessary, to make repairs or otherwise maintain an Airline's Airline Premises, the Authority shall have the right to enter the Airline Premises and perform such activities; provided, however, other than in a case of emergency, the Authority shall give Airline ten (10) business days advance written notice of non-compliance, prior to the exercise of this right. If the Authority has performed services in accordance with this paragraph, the Airline shall pay the Authority, upon receipt of an invoice, the cost of such services plus ten percent (10%).

ARTICLE 7
RENTALS, FEES, AND CHARGES

7.1 Rate Methodology, Rates and Charges.

(a) Each Airline shall pay to the Authority for the use and occupancy of the Airfield, Terminal Apron, and Terminal fees, tariffs, costs, rates and charges ("Rates and Charges") established for each Fiscal Year by the Authority, including, but not limited to: Landing Fees, monthly charges for Committed Premises and other assigned Exclusive Use Premises, Facility Fees, FIS Fees, Airline Equipment Charges, Apron Use Fees and Common Use Baggage Charges. Notice of such Rates and Charges shall be provided to the Airlines or otherwise published or made available by the Authority prior to the start of each Fiscal Year. The Rate Methodology shall be provided to an Airline upon request. The Rate Methodology used to calculate Rates and Charges each year, and the Rates and Charges established in accordance with the Rate Methodology and any additional, ancillary Rates and Charges that are imposed but not determined in accordance with the Rate Methodology (e.g. phone system charges, parking charges and identification badges), shall be incorporated herein and shall be a part of this Resolution for all purposes. The Authority does not guaranty the accuracy of any estimates, projections, assumptions or results in the tables and other attachments to the Rate Methodology, which are provided with the Rate Methodology merely for illustration purposes.

(b) The specific Rates and Charges payable by Airlines during a Fiscal Year shall be calculated using the Rate Methodology based on estimates by the Authority of projected costs and Airline activity for the Fiscal Year. Airlines shall pay such estimated Rates and Charges in accordance with the payment provisions in section 7.5 below.

(c) Within thirty (30) days after the Authority Board has accepted the audit for a Fiscal Year, the Authority shall recalculate Rates and Charges for such Fiscal Year based on actual costs and Airline activity, and provide notice to each Airline operating at the Airport during that Fiscal Year of the total actual Rates and Charges owed for such Fiscal Year, as compared to the Rates and Charges paid ("True-Up"). If an Airline has paid more Rates and Charges than was determined to be due following the True-Up, the Authority shall pay such excess to such Airline within thirty (30) days after the True-Up calculation is complete. If an Airline has paid less Rates and Charges than was determined to be due following the True-Up, such Airline shall pay such shortfall to the Authority within thirty (30) days after receipt of an invoice for such shortfall amount from the Authority, or the Authority may, in its discretion, recover such underpayment by offsetting such amount from any revenue sharing or other payments owed by the Authority to the affected Airline.

(d) Rates and Charges for Committed Premises and for Exclusive Use Premises that are not Committed Premises are based on the Terminal Premises Rates for such Committed Premises and Exclusive Use Premises, regardless of an airline's frequency or volume of use of such Committed Premises and Exclusive Use Premises (e.g. one monthly charge for a gate/holdroom area or for an administrative office). Rates and Charges for other Airline

Premises, including the Baggage System, are based on the frequency or volume of an Airline's use of such Airline Premises (e.g. a Per Turn Facility Fee for Common Use Premises other than the Baggage System, such as a gate/holdroom). All Rates and Charges shall be determined in accordance with the Rate Methodology.

7.2 Extraordinary Service Charges. Each Airline shall pay the Authority for additional equipment and services provided by the Authority for such Airline's use (e.g., club room finishes, or any other systems or equipment that are unique or special to such Airline's operation). The charges for equipment and services purchased and/or provided by the Authority, as referred to above, shall be as set forth in a separate agreement between the Airline and the Authority.

7.3 Other Fees and Charges.

(a) Each Airline shall also pay the following Rates and Charges, each as established from time to time by the Authority, which amounts, when allocated, shall be allocated to and between Cost Centers deemed most appropriate in the reasonable discretion of the Authority:

(i) Fees for services provided by an Airline for another Airline, if such services or concessions would otherwise be available from a concessionaire or licensee of the Authority; provided, however, that no fees shall be collected in connection with services provided by an Airline to Airline's Identified Affiliates or to an Airline by its Identified Affiliates or if the exemptions described in Sections 5.4(d) or 15.2 apply.

(ii) Fees for services, equipment or facilities not otherwise enumerated in this Resolution (including the Rate Methodology), but provided by the Authority or its contractors and utilized by an Airline, including, but not limited to, fees and charges for special maintenance of Airline Premises.

(iii) All costs, charges or expenses for the provision of any services or facilities which the Authority is required or mandated to provide by any governmental entity (other than the Authority acting within its proprietary capacity) having jurisdiction over the Airport.

(b) The Authority may charge an Airline or its employees a fee based on the Authority's cost of providing services and facilities for the employee parking area(s) provided at the Airport. All such charges received by the Authority shall be allocated to the Ground Transportation Cost Center.

(c) Each Airline shall pay all applicable sales, use, intangible and ad valorem taxes of any kind, payable in connection with the use or occupancy of Airline Premises, the real property and any improvements thereto or any Letter of Authorization related thereto, whether levied against an Airline or the Authority. Each Airline shall also pay any other taxes or assessments against the Airline Premises or any Letter of Authorization related thereto. Airlines

may reserve the right to contest such taxes and withhold payment of such taxes upon written notice to the Authority of its intent to do so, so long as the nonpayment of such taxes does not result in a lien against the real property or any improvements thereon or a direct liability on the part of the Authority. The Authority agrees to immediately forward to the appropriate Airlines any notices of such taxes and assessments due upon receipt of same.

(d) Airlines shall pay all other fees and costs associated with their use of the Airport (e.g. utilities), including such fees and costs as may be set forth from time to time in the Authority Policies and Procedure.

7.4 Information to be Supplied by Airlines.

(a) Not later than ten (10) days after the end of each month, each Airline shall file with the Authority separate written or electronic reports on forms provided or approved by the Authority, describing activity conducted by such Airline during such month and setting forth the information requested by the Authority or otherwise necessary for the Authority to calculate Rates and Charges. Such activity reporting may include, but not be limited to, revenue and non-revenue Enplaned Passengers, Deplaned Passengers, pounds of cargo and mail, Chargeable Landings by aircraft type, number of incoming passenger bags delivered from the airplane to the passenger using any part of the Inbound Baggage System, Maximum Gross Landed Weight by aircraft type, and number of Per Turn uses for Airline Premises (other than Committed Premises) for which Facility Fees are payable (including the number of remote-over-night (RON) aircraft apron uses).

(b) The Authority shall have the right, but shall not be required, to rely on said activity reports in determining Rates and Charges due hereunder. The Authority may also rely on alternative sources of information, such as FAA statistics and electronic data collection systems, to determine Rates and Charges due hereunder. Use of such alternative sources by the Authority shall not relieve an Airline of its reporting obligations hereunder. To the extent there is a discrepancy between the information provided by an Airline and information gathered from other sources, the Authority's determination as to the most reliable and accurate information shall be conclusive and binding on the parties, absent fraud or manifest error. Each Airline shall have full responsibility for the accuracy of its reports. Payment deficiencies of more than ten percent (10%) by category of Rates and Charges due on an annual basis hereunder that are due to incomplete or inaccurate activity reports shall be subject to interest charges, at a rate of eighteen percent (18%) per annum.

(c) Each Airline shall at all times maintain and keep records reflecting the statistics of its activities at the Airport to be reported pursuant to Section 7.4(a). Such records shall be retained for a period of three (3) years subsequent to the activities reported therein, or such other retention period as set forth in FAR Part 249, and upon written notice to an Airline shall be made available at Orlando, Florida for audit and/or examination by the Authority or its duly authorized representative during all normal business hours. Each Airline shall produce such books and records at Orlando, Florida within thirty (30) calendar days of the Authority's notice to do so or pay all reasonable expenses, including but not limited to transportation, food, and

lodging, necessary for an auditor selected by the Authority to audit said books and records at alternative facilities. The cost of such audit shall be borne by the Authority, unless either or both of the following conditions exist, in which case the cost of the audit shall be borne by the audited Airline:

(i) The audit reveals an underpayment of more than ten percent (10%) by category of Rates and Charges due on an annual basis hereunder, as determined by said audit;

(ii) Such Airline has failed to maintain true and complete records in accordance with this Section 7.4(c).

(d) Unless otherwise required by the Authority Policies and Procedures, Airlines shall (i) provide to the Executive Director or designee on or before the first day of each calendar quarter a projected flight schedule for Airline flights to and from the Airport for the calendar quarter; and (ii) notify the Executive Director or designee prior to any schedule changes affecting flights to or from the Airport.

7.5 Payments.

(a) Payments of one-twelfth (1/12) of the total Rates and Charges for Committed Premises shall be due in advance, without demand or invoice, on the first day of each month. Such payment shall be deemed delinquent if payment is not received by the tenth (10) day of the month.

(b) Payment of Landing Fees shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if not received within ten (10) days after the due date.

(c) Payment of Common Use Baggage Charges, Facility Fees, FIS Fees and RON aircraft parking charges shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if not received within ten (10) days after the due date.

(d) Payment of fees payable on account of any concession type activity shall be due without demand or invoice on the fifteenth (15th) day following the month revenue is earned by an Airline, or, if different, in accordance with Authority Policies and Procedures, and shall be deemed delinquent if payment is not received within thirty (30) days after the due date.

(e) Payment for all other fees and charges due the Authority shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if payment is not received within ten (10) days after the due date for such amounts.

(f) The Authority shall provide notice of any and all payment delinquencies, including any deficiencies which may be due as a result of the Authority's estimates of activity pursuant to Section 7.5(g) below, or due to an audit performed pursuant to Section 7.4(c) above; provided, however, interest at the rate of eighteen percent (18%) per annum shall accrue against

any and all delinquent payment(s) from the due date until the date payments are received by the Authority. In the event the Authority sends an invoice in error (as opposed to an invoice based on estimates or budgets that happens to differ from the final True-Up amount due, which would not be deemed an invoice sent in error) and an Airline pays such invoice, the Authority shall promptly refund the erroneous payment, plus interest at a rate of eighteen percent (18%) per annum, accruing from the date payment was received by the Authority.

(g) In the event an Airline fails to submit its monthly activity reports as required in Section 7.4(a), the Authority shall estimate the Rates and Charges based upon the highest month of the previous twelve (12) month's activity reported by the Airline and issue an invoice to Airline for same. If no activity data is available, the Authority shall reasonably estimate such activity and invoice for same. Airlines shall be liable for any deficiencies in payments based on estimates made under this provision; payment for said deficiencies shall be deemed due as of the date such rental fee or charge was due and payable. If such estimate results in an overpayment by Airline, the Authority shall apply such overpayment as a credit against subsequent amounts due for such rentals, fees, and charges from Airline; provided, however, Airline shall not be entitled to any interest or credit for interest on payments of such estimated amounts.

(h) In the event any Airline's obligations with respect to Airline Premises or any privileges granted hereunder shall commence or terminate on any date other than the first or last day of the month, such Airline's rentals, fees, and charges shall be prorated, as appropriate, on the basis of the number of days such Airline Premises or privileges were assigned or available to Airline during that month.

(i) All payments due and payable hereunder shall be paid in lawful money of the United States of America, without set off, in the manner (e.g. check, wire transfer, etc.), and to the location specified by the Authority from time to time, with such payment made payable to the Authority.

(j) The acceptance by Authority of any payment made by an Airline shall not preclude Authority from verifying the accuracy of an Airline's report and computations or from recovering any additional payment actually due from such Airline.

7.6 Security for Performance.

(a) Unless an Airline has both (i) executed and fulfilled its obligations under a Rate and Revenue Sharing Agreement with the Authority and (ii) provided regularly scheduled flights to and from the Airport during the eighteen (18) months prior to the Effective Date without the occurrence of any act or omission that would have been a breach of any obligation under this Resolution in the exclusive discretion of the Authority, each Airline shall provide the Authority with a contract bond, irrevocable letter of credit or other similar security acceptable to the Authority ("Performance Security") in an amount equal to the estimate of three (3) months' Rates and Charges, to guarantee the faithful performance by such Airline of its obligations to the Authority hereunder and the payment of all Rates and Charges due hereunder. Such

Performance Security shall be in a form and with a company reasonably acceptable to the Authority and licensed to do business in the State of Florida. In the event that any such Performance Security expires or is canceled, the applicable Airline shall provide a renewal or replacement Performance Security for the remaining required period at least sixty (60) days prior to the date of such expiration or cancellation. The amount of Performance Security required to be maintained may be adjusted from time to time by the Authority based on updated estimates of Rates and Charges payable by an Airline. Each Airline shall deposit increased Performance Security promptly after receipt of notice of adjustment from the Authority. The Authority may waive any requirement herein in its exclusive discretion.

(b) In the event the Authority is required to draw down or collect against an Airline's Performance Security for any reason, such Airline shall, within ten (10) business days after the Authority's written demand, take such action as may be necessary to replenish the existing Performance Security to its original amount (three months' estimated Rates and Charges) or to provide additional or supplemental Performance Security from another source so that the aggregate of all Performance Security is equal to three months' estimated Rates and Charges payable.

(c) If an Airline is not required to have Performance Security in place at any time, then, upon the occurrence of any act or omission that is a breach of any obligation hereunder, or upon the failure of such Airline to pay any Rates and Charges hereunder when due for sixty (60) consecutive days, the Authority, by written notice to such Airline given at any time within ninety (90) days after the date such event becomes known to the Authority, may impose or reimpose the Performance Security requirements of this Section on such Airline. In such event, such Airline shall provide the Authority with the required Performance Security within ten (10) days from its receipt of such written notice and shall thereafter maintain such Performance Security in effect until the requirement for such Performance Security has been waived by the Authority.

(d) If an Airline shall fail to obtain and/or keep in force the Performance Security required hereunder, such failure shall be grounds for immediate termination of all Letters of Authorization with the Airline and for requiring such Airline to pay Rates and Charges in advance.

(e) Any Performance Security provided hereunder is not 'property of the estate' for purposes of Section 541 of the United States Bankruptcy Code (Title 11 USC), it being understood that any Performance Security is property of the third party providing it (subject to the Authority's ability to draw against the Performance Security).

(f) To the extent permitted by applicable law, all PFCs collected by Airlines with respect to Enplaned Passengers at the Airport, are property of the Authority when collected, and, to the extent held by an Airline, are being held in trust for the Authority.

7.7 Calculation of Holdroom Space and Airline Equipment Charge. The number of square feet of holdroom space assigned to an Airline under a Letter of Authorization shall, for

purposes of calculating the Terminal Premises Rate payments due under the Letter of Authorization for each such holdroom, be calculated as follows: total square footage of all holdroom space in the Terminal, divided by the number of operational gates in the Airport. The number of operational gates in the Airport from time to time, for purposes of calculating gate holdroom charges, Airline Equipment Charges and other Rates and Charges, shall be determined by the Authority in its reasonable discretion.

ARTICLE 8
CHANGES IN RATES AND CHARGES

8.1 Annual Rate Changes.

(a) Prior to the end of each Fiscal Year, the Authority shall notify the Airlines of the proposed schedule of initial Rates and Charges for the ensuing Fiscal Year and of any proposed changes in the Rate Methodology. The Executive Director shall have the authority to modify the Rate Methodology as deemed appropriate, and such modification shall be an amendment hereof, and the modified Rate Methodology shall thereafter be incorporated herein, without any further action by the Authority Board being required.

(b) If calculation of the new Rates and Charges is not completed by the Authority and the notice provided in Section 8.1(a) is not given on or prior to the end of the then current Fiscal Year, the Rates and Charges then in effect shall continue to be paid by the Airlines until such calculations are concluded and such notice is given. Upon the completion of such calculations and the giving of such notice, the Authority shall determine the difference(s), if any, between the actual Rates and Charges paid by the Airlines to date for the then current Fiscal Year and the Rates and Charges that would have been paid by each Airline if such Rates and Charges had been in effect beginning on the first day of the Fiscal Year, other than Fiscal Year 2014. Such differences shall be applied to the particular Rates and Charges for which a difference resulted in an overpayment or underpayment, and shall be remitted by the affected Airlines or credited or refunded by the Authority to the affected Airlines in the month immediately following the calculation of the Rates and Charges for the new Fiscal Year and the giving of written notice to the Airlines by the Authority of such new Rates and Charges.

(c) The Authority may recalculate Rates and Charges, in its exclusive discretion, any time during a Fiscal Year when the unaudited monthly financial data collected by the Authority indicates that the amounts projected to be owed by one or more Airlines for that Fiscal Year are reasonably likely to fall short of, or exceed, by a material amount, the amounts to be paid by such Airlines.

8.2 Changes in Rates and Charges. Adjustments to Rates and Charges based on the True-Up or in accordance with Section 8.1(c) above, shall apply without the necessity of a formal consultation with the Airlines, Authority Board action or any other approvals; provided there has been no change in the Rate Methodology.

ARTICLE 9
AIRLINE IMPROVEMENTS

9.1 Alterations and Improvements by Airlines. In accordance with Section 5.1(m) above, an Airline may construct and install, at such Airline's sole expense, such improvements in its non-public Committed Premises as such Airline deems to be necessary for its operations; provided, however, that the plans and specifications, location, and, in the Executive Director's exclusive discretion, construction schedule for such improvements shall be approved by the Executive Director in writing prior to the commencement of any and all such construction or installation and further provided that such Airline complies with the requirements of the Authority in effect from time to time, including Authority Policies and Procedures. No reduction or abatement of Rates and Charges shall be allowed for any interference with an Airline's operations by such construction.

9.2 Removal of Improvements. Subject to Section 9.4 below, upon any relocation or withdrawal of an Airline from space containing Airline improvements, such Airline shall remove, at the Airline's cost, such improvements and, except as may be directed or approved by the Authority, shall return such space to the condition it was in prior to such improvements being made, normal wear and tear excepted.

9.3 Compliance with Law. As a condition to making any improvements at the Airport, an Airline shall comply with all applicable laws and Authority Policies and Procedures relating to such improvements.

9.4 Ownership of Improvements. All improvements made to Airline Premises and all additions and alterations thereto made by an Airline, except those financed by the Authority, shall be and remain the property of such Airline until the relocation or withdrawal of the Airline from the improved space. Upon such relocation or withdrawal, said additions and alterations shall become the property of the Authority or at the Authority's option, shall be removed by Airline, in accordance with Section 9.2 above; provided, however, that any trade fixtures, signs, equipment and other movable personal property of an Airline not permanently affixed to Airline Premises shall, if timely removed, remain the property of such Airline.

ARTICLE 10 DAMAGE OR DESTRUCTION

10.1 Partial Damage. If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be partially damaged by fire or other casualty or by any Authority required construction or renovation project, but such circumstances do not render the Committed Premises untenable as reasonably determined by the Authority, the same shall be repaired, constructed or renovated to usable condition with due diligence by the Authority as hereinafter provided. No abatement of Rates and Charges or modifications to the applicable Letter of Authorization shall occur, so long as the Committed Premises remain tenantable.

10.2 Substantial Damage. If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be so extensively damaged by fire or other casualty or by any Authority required construction or renovation project, as to render any portion of the Committed Premises untenable, but capable of being repaired, as reasonably determined by the Authority, the same shall be repaired to usable condition with due diligence by the Authority as hereinafter provided. If such repairs have not been commenced (defined as any material construction related activity, such as preparing plans, applying for permits, etc.) by the Authority within ninety (90) days after such damage, and Airline has not been provided comparable alternative facilities, Airline shall have the option to terminate the Letter of Authorization to the extent relating to the damaged Committed Premises. In the case of damage described herein, the Rates and Charges payable with respect to an Airline's affected Committed Premises shall be paid up to the time of such damage and shall thereafter be abated equitably in proportion as the part of the area rendered untenable bears to total Committed Premises until such time as the damaged Committed Premises are again tenable or comparable alternative facilities are made available to Airline. The Authority shall use commercially reasonable efforts to provide Airline with comparable, alternative facilities sufficient to allow Airline to continue its operations while repairs are being completed, at Rates and Charges applicable to such alternative facilities, as if such alternative facilities were covered by a Letter of Authorization; provided, however, that Airline shall not be charged for more alternative space than was rendered untenable in accordance with this Section.

10.3 Destruction.

(a) If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be damaged by fire or other casualty or by any Authority required construction or renovation project, and is so extensively damaged as to render any portion of the Committed Premises untenable and not economically feasible to repair, as reasonably determined by the Authority, the Authority shall notify the affected Airline within a period of forty five (45) days after the date of such damage of its decision whether to reconstruct or replace said space; provided, however, the Authority shall be under no obligation to replace or reconstruct such premises. The Rates and Charges payable hereunder with respect to affected Committed Premises shall be paid up to the time of such damage and

thereafter shall abate until such time as replacement or reconstructed space becomes available for use by Airline.

(b) In the event the Authority elects to reconstruct or replace affected Committed Premises, the Authority shall use commercially reasonable efforts to provide Airline with comparable, alternative facilities sufficient to allow Airline to continue its operation while reconstruction or replacement facilities are being completed, at Rates and Charges applicable to such alternative facilities as if such alternative facilities were covered by a Letter of Authorization; provided, however, that an Airline shall not be required to occupy and pay for more alternative space than was rendered untenable in accordance with this Section.

(c) In the event the Authority elects to not reconstruct or replace damaged Committed Premises, the Authority shall either relocate Airline, pursuant to Section 4.4(b) above, or if no premises are available to accomplish such relocation, to terminate that portion of the Airline's Letter of Authorization that relates to the damaged facilities. In any event, the Authority agrees to amend an Airline's Letter of Authorization to reflect related additions and deletions to Committed Premises. In the event Airline is not relocated and, after termination of the Letter of Authorization as to the damaged facilities, the remaining tenable portion of the Committed Premises is not sufficient to maintain operations at the Airport, Airline may terminate the entire Letter of Authorization upon at least sixty (60) days advance notice given within ninety (90) days after receipt by Airline of notice of termination of its Letter of Authorization as to the damaged facilities.

10.4 Damage Caused By Airline. Notwithstanding any provision of this Article 10 to the contrary, in the event that due to the negligence or willful act or omission of Airline, its employees, its agents, or licensees ("Responsible Airline"), Airline Premises shall be damaged or destroyed by fire, other casualty or otherwise, there shall be no abatement of Rates and Charges during the repair or replacement of such Airline Premises. To the extent that the costs of repairs are not fully recovered from any insurance proceeds payable to the Authority by reason of such damage or destruction, the Responsible Airline shall pay the amount of such additional costs to the Authority. Upon the evacuation of any premises by Airline, whether due to relocation or otherwise, Airline shall reimburse the Authority for the cost to repair any damage to such premises caused by the Responsible Airline, other than normal wear and tear.

10.5 Limit on Authority's Responsibilities. The Authority's obligations to repair, reconstruct, or replace any part of the affected Airline Premises or adjacent facilities under the provisions of this Article 10 shall in any event be limited to restoring affected Airline Premises or adjacent facilities to the extent of insurance proceeds and other funds available to the Authority for such repair, reconstruction, or replacement, but in any case to a condition no better than substantially the same condition that existed at the date of damage or destruction; provided further that the Authority shall in no way be responsible for the insuring of, or the restoration or replacement of any equipment, furnishings, property, improvements, signs, or other items installed and/or owned by Airline.

**ARTICLE 11
INDEMNIFICATION AND INSURANCE**

11.1 Indemnification by Airlines.

(a) Indemnification for Claims. Each Airline shall, as a condition of operating at the Airport, protect, defend, reimburse, indemnify and hold each of the Authority, the City, their respective agents, employees, board members and elected officers (hereinafter collectively referred to as "Authority Indemnitee") free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including actually incurred reasonable attorney's fees and appellate cost) and causes of action of every kind and character, whether or not meritorious, including but not limited to, claims or damages relating to any damage to property (including but not limited to, any environmental damage) personal injury, or bodily injury (including death) incurred or sustained by any person or organization (including, but not limited to, by an Authority Indemnitee) against or incurred by any Authority Indemnitee and arising out of, or incident to, or in connection with, (i) such Airline's use, operation, maintenance or occupancy of the Airline Premises, or (ii) the operation of such Airline's Air Transportation Business, including the use or access by such Airline's ticketed passengers of the Airport; or (iii) the performance, non-performance or purported performance of such Airline under any Letter of Authorization, or (iv) any breach by such Airline of the terms of any agreement between the Authority and the Airline; provided, however, nothing contained in this Section shall require indemnification by an Airline of an Authority Indemnitee from or against any loss, liability or claim to the extent arising from the gross negligence or willful misconduct of such the Authority Indemnitee or the negligence or willful misconduct of any third party not contractually related to Airline or not acting on behalf of Airline.

(b) Notice and Defense of Claims. Upon the filing by anyone of a claim with the Authority for damages arising out of incidents for which an Airline must indemnify and hold the Authority or another Authority Indemnitee harmless, the Authority shall promptly notify such Airline of such claim and, in the event that such Airline does not settle or compromise such claim, then such Airline shall undertake the legal defense of such claim both on behalf of such Airline and on behalf of each involved Authority Indemnitee. It is specifically agreed, however, that in the event of any conflict between an Authority Indemnitee, including the Authority, and the indemnifying Airline, an Authority Indemnitee may, at its option, provide its own legal defense and such Airline will promptly reimburse any such Authority Indemnitee for the reasonable cost, including attorney's fees, incurred by or on behalf of the Authority Indemnitee in the legal defense of such claim.

(c) No Voluntary Waiver of Immunity. The obligation of each Airline to indemnify an Authority Indemnitee is not intended to waive any sovereign immunity otherwise applicable to an Authority Indemnitee.

(d) Consideration, Survival of Indemnity Obligation and Additional Remedy. Each Airline's indemnity obligation shall survive the termination of any Letter of Authorization

and an Airline's use of the Airport for its Air Transportation Business. Compliance with the insurance requirements of this Article 11 shall not relieve an Airline of, or otherwise limit, an Airline's obligation to indemnify an Authority Indemnitee as set forth in this Article 11.

11.2 Insurance.

(a) Except to the extent the Authority, at its sole discretion otherwise agrees to the contrary, each Airline shall provide, pay for and maintain the types and amounts of insurance described herein, or as may be updated or modified in the Authority Policies and Procedures. All such insurance shall be issued by insurers which are eligible to do business in the State of Florida or, if permitted by applicable law, as otherwise approved by the Authority. In addition, all such insurers shall have and maintain evidence of financial integrity and responsibility reasonably acceptable to the Authority.

(b) The insurance coverage and limits required shall be evidenced by properly executed certificates of insurance. These certificates shall be signed by the authorized representative of the insurance company shown on the certificate and will show all deductibles or self-insurance retentions and show the Authority as an additional insured on airline liability/commercial general liability primary and excess coverage. In addition, certified, true, and exact copies of all insurance policies shall be made available to the Authority at an Airline's headquarters, at the Authority's cost, on a timely basis, if requested by the Authority.

(c) All required insurance coverages of each Airline shall be primary to any insurance or self-insurance program of the Authority. In addition, any insurance, or self-insurance maintained by the Authority shall be excess of, and shall not contribute with, the insurance provided by Airline.

(d) The acceptance of delivery to the Authority of any certificate of insurance evidencing the insurance coverages and limits required does not constitute approval or acceptance by the Authority that the insurance requirements herein have been met.

(e) No Airline may commence or continue operations at the Airport unless and until the required certificates of insurance are in effect and approved by the Authority.

(f) The insurance coverages and limits required of Airline are designed to meet the minimum requirements of the Authority. They are not designed as a recommended insurance program for any Airline. Each Airline is responsible for insuring its real and personal property located at the Airport. Each Airline, alone, shall be responsible for the sufficiency of its own insurance program. Should an Airline have any question concerning its exposures to loss, or the possible insurance coverages needed therefor, it should seek professional advice.

(g) An Airline shall give, or cause its insurance representative to give, the Authority thirty (30) days prior written notice, seven (7) days in the case of war risk, by registered or certified mail of any cancellation, intent not to renew, or material reduction in any

policy's coverage instigated by such Airline and prompt notice of any such event instigated by an insurance company.

(h) Renewal Certificates of Insurance must be provided to the Authority as soon as practical but in every instance prior to expiration of current coverages.

(i) Should at any time an Airline not, in the opinion of the Authority, provide or maintain the insurance coverages required, the Authority may terminate or suspend operation of such Airline's Air Transportation Business at the Airport or any Letters of Authorization applicable to Airline.

(j) The amounts and types of insurance shall conform to the following minimum requirements.

(i) Workers Compensation and Employer's Liability Insurance shall be maintained in force by each Airline for all employees engaged in the operations on the Airport. The limits of coverage shall not be less than:

Workers' Compensation	Florida Statutory
Employer's Liability	\$1,000,000 Limit Each Accident
	\$1,000,000 Limit Disease Aggregate
	\$1,000,000 Limit Disease Each Employee

(ii) Airline Liability Insurance/Commercial General Liability shall be maintained by each Airline and shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual Liability, Products and Completed Operations Coverage, Hangarkeepers, Liquor Liability, Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government), and Environmental Liability. Coverage shall be applicable to the operation of all owned, non-owned, leased or hired, licensed and unlicensed motor vehicles and ground equipment operating within the Aircraft Operations Area (AOA) at the Airport. The limits of coverage shall not be less than:

Airline Liability:	
Bodily & Personal Injury	\$200,000,000 Combined Single Limit
& Property Damage Liability	Each Occurrence & Aggregate, with a
	\$25,000,000 sublimit for Personal Injury
	to non-passengers

Sublimits to be provided through the Airline Liability or separate policy:

Liquor Liability Coverage – for any facility of an Airline serving alcoholic beverages on the Airport in an amount not less than \$1,000,000 per occurrence.

Hangarkeepers Liability Coverage – in an amount adequate to cover any non-owned property in the care, custody, and control of an Airline on the Airport, but in any event in an amount not less

than \$5,000,000 per occurrence.

Motor Vehicle Liability Coverage – to cover all licensed and unlicensed motor vehicles and ground equipment owned, non-owned, or hired by an Airline which are operated in the AOA. This coverage will be in an amount not less than \$5,000,000 per person and per occurrence.

Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government) – in an amount not less than \$50,000,000.

Environmental Liability – in an amount not less than \$10,000,000 for sudden and accidental pollution, or, to the extent not prohibited by any applicable law, an Airline may provide for reasonable limits of self-insurance against environmental liability risks. All amounts paid to the Authority by an Airline on account of any self-insurance program shall be deemed insurance proceeds. To the extent an Airline self-insures as to environmental liability, the protections afforded the Authority by such Airline shall be the same as if insurance were provided by a third-party insurer, and such Airline shall have all the obligations and liabilities of a third party insurer hereunder (e.g. obligation to provide a defense).

(iii) Aircraft Liability Insurance shall be maintained by each Airline for all owned, non-owned, leased or hired aircraft, including passenger coverage. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$200,000,000 Combined Single Limit Each Occurrence & Aggregate, with a \$25,000,000 sublimit for Personal Injury to non-passengers
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(iv) Business Automobile Liability Insurance shall be maintained by each Airline as to the ownership, maintenance, and use of all owned, non-owned, leased or hired vehicles. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$1,000,000 Combined Single Limit Each Occurrence & Aggregate, with a \$25,000,000 sublimit for Personal Injury to non-passengers
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(v) Umbrella Liability Insurance or Excess Liability Insurance may be used to reach the limits of liability required by this Article 11.

ARTICLE 12
CANCELLATION OF LETTER OF AUTHORIZATION BY THE AUTHORITY

12.1 Termination of Events. The Authority shall be entitled to cancel or terminate a Letter of Authorization or Operating Permit, as described below, upon the occurrence of any of the following with respect to the applicable Airline ("Event of Default"):

(a) The conduct by an Airline of any business or performance of any acts at the Airport not specifically authorized by this Resolution or by other agreements between the Authority and such Airline, and such business or acts do not cease within thirty (30) days after receipt of the Authority's written notice to cease such business or acts.

(b) The failure by an Airline to cure a default in the performance of any of the terms, covenants, and conditions required herein (except Performance Security requirements, insurance requirements, and payment of Rates and Charges, all as provided for below) within thirty (30) days after receipt of written notice by the Authority of such default; or, if by reason of the nature of such default, the same cannot be cured within thirty (30) days following receipt of written demand from the Authority to do so, such Airline fails to commence curing such default within such thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof and, in any event, fails to cure such default within a reasonable time or ninety (90) days after receipt of notice of such default, whichever is earlier. The defaulting Airline shall have the burden of proof to demonstrate (i) that the default cannot be cured within thirty (30) days, and (ii) that it is proceeding with diligence to cure said default, and that such default can be cured within the earlier of a reasonable period of time or ninety (90) days.

(c) The failure by an Airline to pay any part of the Rates and Charges due the Authority and the continued failure to pay such amounts in full within fifteen (15) days after the Authority's written notice of such default; provided, however, that if a dispute arises between the Authority and such Airline with respect to any obligation or alleged obligation of such Airline to make certain payments to the Authority, payments made under protest by such Airline shall not waive any of such Airline's rights to contest the validity or amount of such payment. In the event any court or other body having jurisdiction determines all or any part of the protested payment shall not be due, then the Authority shall promptly reimburse such Airline or credit against future payments by such Airline any amount determined as not due.

(d) The failure by an Airline to provide and keep in force the Performance Security, to the extent required.

(e) The failure by an Airline to obtain and keep in force the insurance coverages described herein.

(f) The appointment of a trustee, custodian, or receiver of all or a substantial portion of Airline's assets.

(g) The divestiture of an Airline's estate herein by operation of law, by dissolution, or by liquidation (not including a merger or sale of assets).

(h) The insolvency of an Airline; or if an Airline shall take the benefit of any present or future insolvency statute, shall make a general assignment for the benefit of creditors, or shall seek a reorganization or the readjustment of its indebtedness under any law or statute of the United States or of any state thereof including the filing by such Airline of a voluntary petition of bankruptcy or the institution of proceedings against such Airline for the adjudication of such Airline as a bankrupt.

(i) The abandonment by an Airline of any Committed Premises, or its conduct of business at the Airport; and, in this connection, suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a labor dispute or other governmental action in which such Airline is directly involved.

(j) The failure by an Airline to remit PFCs in accordance with Section 18.2.

12.2 Continuing Responsibilities. Notwithstanding the occurrence of any Event of Default applicable to it, an, Airline shall remain liable to the Authority for all Rates and Charges payable hereunder and for all preceding breaches of any obligation owed the Authority. Furthermore, unless the Authority elects to cancel any Letters of Authorization, an Airline shall remain liable for and promptly pay all Rates and Charges accruing thereunder through the end of the term of such Letter of Authorization.

12.3 The Authority's Remedies. Upon the occurrence of an Event of Default with respect to an Airline, the following remedies, which shall be cumulative, shall be available to the Authority:

(a) The Authority may exercise any remedy provided by law or in equity, including but not limited to the remedies hereinafter specified.

(b) The Authority may cancel any Letters of Authorization with such Airline, or, any Operating Permit signed by such Airline, effective upon the date specified in the notice of cancellation. Upon such date, the defaulting Airline shall be deemed to have no further rights thereunder and the Authority shall have the right to take immediate possession of Airline's Committed Premises.

(c) The Authority may reenter the Airline Premises and may remove all of such Airline's persons and property from same upon the date of reentry specified in the Authority's written notice of reentry. Upon any removal of an Airline's property by the Authority hereunder, such Airline property may be stored at a public warehouse or elsewhere at such Airline's sole cost and expense.

(d) The Authority may reassign Committed Premises and any improvements thereon or any part thereof at such Rates and Charges and upon such other terms and conditions

as the Authority, in its sole discretion, may deem advisable, with the right to make alterations, repairs or improvements on such Committed Premises.

(e) No reentry or reassignment of Committed Premises by the Authority shall be construed as an election on the Authority's part to cancel the applicable Letter of Authorization, unless a written notice of cancellation is given to Airline.

(f) The Authority shall have no obligation to reassign any Committed Premises pursuant to a Letter of Authorization prior to the assignment of any other similar Terminal space pursuant to a Letter of Authorization. The Authority shall have exclusive discretion as to which Terminal space to assign at any time.

(g) Airline shall pay to the Authority all other costs incurred by the Authority in the exercise of any remedy in this Article 12, including, but not limited to, reasonable attorney fees, disbursements, court costs, and expert fees.

12.4 Remedies Under Federal Bankruptcy Laws. Notwithstanding the foregoing, upon the filing by or against an Airline of any proceeding under federal bankruptcy laws, if such Airline has defaulted in the performance of any provision of a Letter of Authorization or Operating Permit within the six (6) months preceding such filing, the Authority shall have the right to cancel such Letter of Authorization or Operating Permit, as applicable, in addition to other remedies provided under provisions of the Federal Bankruptcy Rules and Regulations and Federal Judgeship Act of 1984, as such may be subsequently amended, supplemented, or replaced. Such cancellation shall be by written notice to the affected Airline within sixty (60) days from the date of Airline's initial filing in bankruptcy court.

ARTICLE 13
CANCELLATION OF LETTER OF AUTHORIZATION BY AN AIRLINE

13.1 Termination Events. An Airline will be entitled to terminate a Letter of Authorization upon the occurrence of any of the following events applicable to such Airline:

(a) The Authority fails to keep, perform, or observe any material term, covenant, or condition herein contained, to be kept, performed, or observed by the Authority and such failure continues for thirty (30) days after receipt of written notice of such failure from an Airline; or, if by its nature such default cannot be cured within such thirty (30) day period, the Authority shall not commence to cure such default within said thirty (30) days and thereafter to cure or remove the same as promptly as reasonably practicable.

(b) Airport is closed to flights in general or to the flights of an Airline, for reasons other than those circumstances within the Airline's control, and Airport fails to be reopened to such flights within sixty (60) consecutive days from such closure.

(c) The Airport is permanently closed as an air carrier airport by act of any federal, state, or local government agency having competent jurisdiction; or an Airline is unable to use the Airport for a period of at least forty-five (45) consecutive days due to any law or any order, rule or regulation of any governmental authority having jurisdiction over the operations of the Airport; or any court of competent jurisdiction issues an injunction preventing the Authority or such Airline from using Airport for airport purposes, for reasons other than those circumstances within such Airline's control or resulting from such Airline's actions, and such injunction remains in force for a period of at least forty-five (45) consecutive days.

(d) The United States Government or any authorized agency thereof (by executive order or otherwise) assumes the operation, control, or use of the Airport in such a manner as to substantially restrict an Airline from conducting its operations, if such restriction continues for a period of sixty (60) consecutive days or more.

13.2 Airline's Remedy. So long as an Airline is not in default of any obligation hereunder, including but not limited to payments due to the Authority, such Airline may cancel any Letter of Authorization or part thereof impacted by, and upon the occurrence of, an event described in Section 13.1 above upon delivery of written notice of cancellation to the Authority any time prior to such event being cured. All obligations of Airline to pay Rates and Charges under that part of the Letter of Authorization cancelled hereby, other than Rates and Charges payable for periods and activities prior to such cancellation, shall cease as of the date of such cancellation and such Airline shall surrender the Committed Premises to the Authority. The Airline shall continue to be responsible for all Rates and Charges applicable to its use or occupancy of the Airfield, Terminal or Terminal Apron.

ARTICLE 14
SURRENDER OF AIRLINE PREMISES

14.1 Surrender and Delivery. Upon expiration or cancellation of a Letter of Authorization or Operating Permit, or a reassignment of any Airline Premises not subject to a Letter of Authorization, an Airline shall promptly and peaceably surrender to the Authority its Airline Premises and all improvements thereon to which the Authority is entitled in good and fit condition, reasonable wear and tear, as well as damage or repair which is the responsibility of the Authority hereunder, excepted; provided, however, nothing in this Section 14.1 shall be construed to modify the obligations of the parties set forth in Article 9, Article 10, and Article 11.

14.2 Removal of Property. Provided an Airline is not in default for payment of Rates and Charges hereunder, an Airline is permitted at any time to remove from the Airport its aircraft, tools, equipment, trade fixtures, and other personal property, title to which shall remain in the Airline, unless otherwise set forth herein, and shall remove such aircraft, tools, equipment, trade fixtures, and other personal property from any Airline Premises no longer assigned to such Airlines within five (5) business days following any notice to such Airline that such Airline Premises are no longer assigned to it, subject to any valid lien which the Authority may have thereon for unpaid Rates and Charges. No Airline may abandon any portion of its property at the Airport without the written consent of the Authority. Any and all property not removed by Airline from former Airline Premises, as required hereby, shall, at the option of the Authority, (i) become the property of the Authority at no cost to the Authority; (ii) be stored by the Authority, at no cost to the Authority; or (iii) be sold at public or private sale at no cost to the Authority, with the proceeds thereof being retained by the Authority. Except as may be agreed to otherwise by the Authority and an Airline, all Authority property damaged by or as a result of the removal of Airline's property shall be restored by Airline to the condition existing before such damage at Airline's expense.

ARTICLE 15
ASSIGNMENT AND HANDLING AGREEMENTS

15.1 Assignment by an Airline.

(a) No Airline may, directly or indirectly, assign, sell, hypothecate, or otherwise transfer its rights under a Letter of Authorization, an Operating Permit or any portion of Airline Premises assigned to such Airline, without the prior written consent of the Authority; provided, however, Airline may assign such rights to any person, firm or corporation with which Airline may merge or consolidate or which may succeed to the business of Airline or which purchases all or substantially all of such Airline's assets. The Authority may withhold its consent hereunder for any reason, including the availability for assignment to others of alternative space.

(b) No Airline may allow any third party Airline to use of any Airline Premises assigned to such Airline, other than an Identified Affiliate, without the prior written consent of the Authority, which consent may be withheld if the Authority has alternative unassigned space available or if the Authority can make such space available for assignment within a reasonable time.

(c) An Airline shall include with its request for permission to assign Committed Premises, a copy of the proposed assignment agreement. The assignment agreement submitted with Airline's request shall include the following information: (i) the term; (ii) the area or space to be assigned; (iii) the amounts to be charged; and (iv) a provision that assignee must execute a separate Operating Permit or Letter of Authorization with the Authority for operating at the Airport. Any other information reasonably requested by the Authority pertaining to said assignment shall be promptly provided by Airline. A fully executed copy of such assignment shall be submitted to the Authority for final approval prior to the occupancy of the Committed Premises, or any portion thereof, by the assignee.

(d) Nothing in this Article 15 shall be construed to release an Airline from its obligations under a Letter of Authorization, including but not limited to, the payment of Rates and Charges provided herein, with respect to the Airline Premises, including such portion of the Airline Premises assigned, unless otherwise agreed in writing by the Authority.

15.2 Handling Agreements. In the event any Airline agrees to ground handle any portion of the operations of another Airline, other than an Identified Affiliate, such Airline shall provide the Authority advance written notice of such proposed activities, including a description of the type and extent of services to be provided, and shall comply with all Authority Policies and Procedures in effect from time to time applicable to such activity, including, without limitation, policies relating to the payment to the Authority of a percentage of fees received by Airline for such service. Notwithstanding the foregoing or any Authority Policies and Procedures to the contrary, an Airline shall have no obligation to pay to the Authority a percentage of fees received by Airline for performing ground handling or other permitted services if and to the extent the Airline receiving the services is a party to a Rate and Revenue

Sharing Agreement and is not in breach thereof. (Please see Section 5.4(d) for an exclusion from the requirement to pay fees to the Authority for ground handling and other services provided by a third party to an Airline.)

ARTICLE 16
AVAILABILITY OF ADEQUATE FACILITIES

16.1 Reassignment of Preferential Use Premises. The Authority may reassign to another Airline one or more of an Airline's gates assigned as Preferential Use Premises under a Letter of Authorization if: (1) such Airline's scheduled average utilization for such preferentially assigned gate(s) falls below four (4) flights per gate per day; (2) the Authority determines that there is a reasonable need for the preferential use of such gate(s) by another Airline; and (3) such other Airline meets the required four (4) flights per gate per day minimum. Prior to such reassignment becoming effective, the reassigned Airline shall have a sixty (60) day period to adjust its schedule to equal or exceed four (4) flights per gate per day so as not to be subject to such reassignment during the term of its Letter of Authorization. When determining specific Preferential Use Premises to be reassigned, the Authority will use reasonable efforts to not reassign facilities that will disrupt the continuity and staffing of an Airline's operation

16.2 Regional/Commuter Operations.

(a) To the extent practical, aircraft that are capable of connecting to a loading bridge must use a Terminal Apron equipped with a loading bridge for the enplaning and deplaning of passengers.

(b) Aircraft that are not capable of connecting to a loading bridge will use those areas of the Terminal Aprons designated by the Authority and will be accessed from the ramp level through commuter facilities unless otherwise approved by the Authority.

ARTICLE 17 GOVERNMENT INCLUSION

17.1 Government Agreements. The terms of this Resolution shall be subordinate to, and shall be automatically modified to comply with, the provisions of any existing or future agreements between the Authority and the United States Government or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds for the development of the Airport, to the extent that the provisions of any such existing or future agreements are generally required by the United States or other governmental authority as a condition to receiving such funds. The Authority agrees to provide Airlines written advance notice of any provisions which would adversely modify the material terms of this Resolution.

17.2 Federal Government's Emergency Clause. All provisions of this Resolution shall be subordinate to the rights of the United States of America to operate the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Resolution inconsistent with the operations of the Airport by the United States of America.

17.3 Nondiscrimination.

(a) Each Airline for itself, its personal representatives, successors in interest, and assigns, as a condition of operating at the Airport, shall operate at the Airport so that (i) no person on the grounds of race, color, creed, sex, national origin or other federally protected classification shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airline Premises, (ii) in the construction of any improvements on, over, or under Airline Premises and the furnishing of services thereon, no person on the grounds of race, color, creed, sex, national origin or other federally protected classification shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, and (iii) such Airline shall use the Airline Premises in compliance with all other requirements imposed by or pursuant to 14 CFR 152 and Title VI of the Civil Rights Act of 1964 and 49 CFR, Subtitle A, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Title and Regulations may be amended.

(b) Each Airline acknowledges that the provisions of 49 CFR, Part 23, Disadvantaged Business Enterprises ("DBE"), as such regulations may be amended, and such other similar regulations as may be enacted, may be applicable to the activities of Airline at the Airport, unless exempted by said regulations, and by choosing to operate at the Airport, each Airline shall be deemed to have agreed to comply with the regulatory agencies, in reference thereto. These requirements may include, but not be limited to, compliance with DBE participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, the submission of various reports and, if so directed, the contracting of specified percentages of goods and services contracts to DBEs.

17.4 Security. Each Airline, its officers, employees, agents, and those under its control, shall comply with all security measures required of Airline by the Authority, TSA, FAA or contained in any Airport master security plan approved by the TSA or FAA. If an Airline, or its officers, employees, agents, or those under its control, shall fail or refuse to comply with such measures and such non-compliance results in a monetary penalty being assessed against the Authority, then, in addition to any other remedies available to the Authority, such non-complying Airline shall be responsible for, and shall reimburse the Authority in the full amount of, any such monetary penalty or other damages.

17.5 Environmental.

(a) General Conditions.

Each Airline must:

(i) be knowledgeable of all applicable federal, state, regional, and local environmental laws (including common law), ordinances, rules, regulations and orders, which apply to Airline's operations at the Airport (collectively, "Environmental Laws") and acknowledge that such Environmental Laws change from time-to-time. Each Airline must keep informed of any such future changes.

(ii) comply with all applicable Environmental Laws which apply to Airline's operations. Each Airline shall hold harmless and indemnify the Authority for any violation by such Airline of such applicable Environmental Laws and for any non-compliance by such Airline with any permits issued to Airline or to the Authority (to the extent applicable to Airline) pursuant to such Environmental Laws, which hold harmless and indemnity shall include, but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures or monitor environmental conditions and for any monetary penalties, costs, expenses, or damages, including natural resource damages, imposed against Airline, its employees, invitees, suppliers, or service providers or the Authority by reason of such Airline's violation or non-compliance.

(iii) cooperate with any investigation, audit or inquiry by the Authority or any governmental or quasi-governmental agency, regarding possible violation by Airline of any Environmental Law upon the Airport, to the extent applicable or potentially applicable to Airline.

(iv) promptly provide to the Authority any notice of violation, notice of non-compliance, or other enforcement action relating to the Airport promptly after receipt by Airline or Airline's agent.

(b) Stormwater.

(i) Each Airline shall observe and abide by all stormwater rules and regulations as may be applicable to Airline and its use of the Authority's property.

(ii) Any stormwater discharge permit issued to the Authority may name such Airline as a co-permittee. Each Airline shall closely cooperate with the Authority to ensure compliance with any applicable stormwater discharge permit terms and conditions. Each Airline shall undertake such actions necessary to minimize the exposure of stormwater to “significant materials” generated, stored, handled or otherwise used by such Airline, as such term may be defined by applicable stormwater rules and regulations, by implementing and maintaining “best management practices” as that term may be defined in applicable stormwater rules and regulations.

(iii) Within ten (10) days after receipt of any written notice from the Authority or any governing authority relating to stormwater discharge requirements applicable to Airline, an Airline shall notify the Authority in writing if it disputes any of the stormwater permit requirements it is being directed to undertake. If an Airline does not provide such timely notice, such Airline shall undertake at its sole expense, unless otherwise agreed to in writing between the Authority and Airline, those stormwater permit requirements for which it has received written notice from the Authority, and Airline will hold harmless and indemnify the Authority for any violations or non-compliance by such Airline with any such permit requirements.

(c) Solid and Hazardous Waste.

(i) Each Airline shall comply with all applicable federal, state and local laws relating to such Airline's transportation, handling, storage, treatment or disposal of solid or hazardous waste at the Airport, and any rules and regulations promulgated thereunder, including but not limited to, ensuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable law.

(ii) Each Airline shall provide the Authority, or, at Authority's option, make available for review by the Authority, upon request, copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation, responses, storage, disposal and contingency plans and material safety data sheets applicable to Airline's operations at the Airport, within ten (10) days after any such requests by the Authority, all of which shall be maintained in compliance with applicable Environmental Laws. Each Airline shall have, and shall implement as needed, to the extent required by applicable Environmental Laws, a written plan addressing containment and clean up of fuel and/or oil spills.

(d) Air Quality. Each Airline agrees to comply with all applicable Environmental Laws relating to the quality of air in any confined or indoor spaces.

ARTICLE 18 GENERAL PROVISIONS

18.1 Subordination to Bond Resolution.

(a) This Resolution and all privileges granted to the Airlines hereunder are expressly subordinated and subject to the lien, covenants (including the rate covenants), and provisions of the Bond Resolution. To the extent this Resolution is inconsistent with the Authority's requirements under the Bond Resolution, this Resolution shall be deemed amended to the extent and for the duration needed to allow the Authority to comply with such Bond Resolution requirements. To the extent required by the Bond Resolution or law, the holders of the Bonds or their designated representatives shall have the right to exercise any and all rights of the Authority hereunder.

(b) With respect to property assigned by the Authority to an Airline hereunder which was or is to be acquired or constructed by the Authority with proceeds of Bonds, the interest on which is, or is intended to be, excludable from the gross income of the holders of such Bonds for federal income tax purposes, each such Airline shall protect the tax-exempt status of the Bonds.

(c) Each Airline shall execute all instruments, certificates, or other documents reasonably requested by the Authority to assist the Authority and bond counsel in determining and assuring that Bonds are issued in compliance with applicable rules and regulations of the Internal Revenue Service and the Securities and Exchange Commission, and each Airline shall provide whatever additional relevant information is reasonably requested by the Authority initially or on an ongoing basis in connection with complying with any of those rules and regulations.

18.2 Passenger Facility Charge. The Authority reserves the right to assess and collect PFC's subject to the terms and conditions set forth in the Aviation Safety and Capacity Expansion Act of 1990, now Codified as 49 U.S.C. §40117 and implementing regulations as may be supplemented or amended from time to time. Each Airline shall collect and pay all PFC's for which it is responsible under applicable law or regulation.

18.3 Use of Airline Premises. Consistent with the nature of each Airline's business, each Airline's occupancy of its Airline Premises will be lawful and quiet and each Airline will not knowingly use or permit the use of Airline Premises in any way that would violate the terms of this Resolution or any Letter of Authorization, create a nuisance, or disturb other tenants or the general public. Each Airline shall be responsible for the activity of its officers, employees, agents, and others under its control with respect to this provision

18.4 Performance. Time is of the essence with respect to the obligations in this Resolution and in each Letter of Authorization.

18.5 Avigation Rights. The Authority reserves unto itself, its successors, and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport, including Airline Premises, for navigation or flight in such airspace for landing on, taking off from, or operating at the Airport.

18.6 Rules and Regulations and Operational Directives.

(a) Each Airline, its officers, employees, agents, and others under its control shall observe and obey all laws, regulations, and orders of the federal, state, county, municipal governments and the Authority (acting in its governmental capacity) which may be applicable to such Airline's operations at the Airport.

(b) The Executive Director and/or Authority staff may from time to time adopt, amend, or revise the Authority Policies and Procedures for reasons of safety, health, preservation of the property, or for the maintenance of the good, efficient and orderly appearance and/or operation of the Airport. Each Airline, and its officers, employees, agents, and others under its control, shall faithfully comply with and observe all lawful Authority Policies and Procedures, of which airline has received actual or constructive notice.

(c) Each Airline shall be strictly liable and responsible for obtaining, maintaining current, and fully complying with, any and all permits, licenses, and other governmental authorizations, however designated, as may be required at any time by any federal, state, or local governmental entity or any court of law having jurisdiction over such Airline or such Airline's operations and activities.

18.7 Inspection. The Authority's authorized representatives shall have access to Committed Premises for the purpose of examining and inspecting such premises, for purposes necessary, incidental to, or connected with the performance of its operational obligations, or, in the exercise of its governmental functions. Except in the case of an emergency, the Authority shall conduct such inspections during reasonable business hours, after reasonable prior notice to an Airline and in the presence of such Airline's representative.

18.8 Titles. Paragraph titles are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or extent of any provision of this Resolution.

18.9 Severability. In the event that any covenant, condition, or provision of this Resolution is held to be invalid by any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not materially prejudice either the Authority or any Airline in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Resolution or any Letter of Authorization.

18.10 Other Agreements. Other than as set forth herein, nothing contained in this Resolution shall be deemed or construed to nullify, restrict, or modify in any manner the

provisions of any other lease or contract between the Authority and an Airline authorizing the use of the Airport, its facilities, and appurtenances.

18.11 Approvals. Unless otherwise stated, whenever the Resolution calls for approval by the Authority, such approval shall be evidenced by the written approval of the Executive Director.

18.12 Notice.

(a) All notices, requests, consents, and approvals served or given under this Resolution shall be served or given in writing with proof of delivery. If intended for the Authority, notices shall be delivered to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, FL 32827-4399

or to such other address as may be designated by the Authority by written notice to Airline.

(b) Notices to an Airline shall be delivered to the address on file with the Director of Board Services of the Authority, or to such other address as may be designated by an Airline by written notice to the Authority.

18.13 Agent For Service. Each Airline shall, upon request, notify the Authority, in writing, of the name and address of its agent for service of process in Florida. Such service shall be made as provided by the laws of the State of Florida for service upon a non-resident engaging in business in the State.

18.14 Governing Law and Legal Forum. This Resolution, all Letters of Authorization and all Operating Permits are to be read and construed in accordance with the laws of the State of Florida. Exclusive venue for all dispute resolution, including litigation, concerning or arising out of this Resolution, all Letters of Authorization and all Operating Permits shall be in Orange County, Florida.

18.15 Third-Party Beneficiary. Each Airline understands and agrees that the City is a third party beneficiary to this Resolution, each Letter of Authorization and each Operating Permit, with full rights of enforcement therein.

18.16 Most Favored Nation Clause. In the event the Authority offers an Airline the opportunity to use the Airfield and Terminal on terms and conditions that are materially different, and more favorable than the terms and conditions described herein, such offer shall also be made to all similarly situated Airlines (e.g. an Airline that makes substantially similar use

of the Airport, operates substantially similar aircraft and utilizes substantially similar facilities as the Airline offered the more favorable terms and conditions), subject to the same conditions and limitations as the original offer. The foregoing Authority obligation shall not apply to lawfully permitted incentive programs.

18.17 No Individual Liability. No member, officer, agent, director or employee of either the Authority or an Airline shall have any personal liability under this Resolution for the failure of the Authority or such Airline, as applicable, to comply with the terms hereof.

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This Resolution was approved and adopted by the Greater Orlando Aviation Authority on October 16, 2013.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Frank Kruppenbacher
Chairman

ATTEST:

By: _____
Dayci S. Burnette-Snyder
Assistant Secretary

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RATE AND REVENUE SHARING AGREEMENT

This Rate and Revenue Sharing Agreement is made as of this ____ day of _____, 2013 by and between the Greater Orlando Aviation Authority (the "Authority") and _____ ("XXX").

Background

A. The Authority has adopted rates and charges for operations at Orlando International Airport (the "Airport") by Airlines pursuant to a resolution of the Authority's Board dated October 16, 2013, and effective November 1, 2013 (the "Rate Resolution").

B. The Authority has offered to share Net Shared Revenues with the passenger Airlines in exchange for certain promises by the Airlines concerning space commitments and acceptance by the Airlines of the Rate Resolution and the methodology for calculating rates and charges thereunder.

Agreement

NOW, THEREFORE, in consideration of the promises set forth herein, the Authority and XXX hereby agree as follows:

1. Definitions.

(a) "Airport Exclusive Revenue Sources" shall mean (i) that certain real property commonly referred to as the "Poitras Property" and (ii) rail, rail corridors or rail terminals, if any.

(b) "Net Shared Revenues" shall mean the amount by which (i) all Revenues generated by the operation of the Airport for a Fiscal Year (with the exception of, and not including, Revenues generated from the operation, use, sale, lease or other exploitation of Airport Exclusive Revenue Sources), minus (ii) all Debt Service and Operating Expenditures (including the Operating Reserve Requirements) incurred in connection with the operation of the Airport for such Fiscal Year; exceeds Forty Five Million Dollars (\$45,000,000) in fiscal Year 2014, Fifty Million Dollars (\$50,000,000) in Fiscal Year 2015 and Fifty Five Million Dollars (\$55,000,000) in Fiscal Year 2016.

(c) "Participating Airlines" shall mean all passenger Airlines that have executed and are parties to an effective Rate and Revenue Sharing Agreement for the applicable Fiscal Year.

(d) "Participating Operating Payments" shall mean all Landing Fees, FIS Fees, Common Use Baggage Charges, Facility Fees paid for the use of bag make-up space, and Rates and Charges paid for Committed Premises under a Letter of Authorization for the use and occupancy of Terminal facilities and the Terminal Apron by a passenger Airline, which, for the avoidance of doubt, excludes all Facility Fees (other than Facility Fees paid for the use of bag

make-up space), ramp parking fees, RON fees and certain ancillary charges, such as phone or utility charges.

(e) "Rate and Revenue Sharing Agreement" shall mean an agreement between the Authority and an Airline in a form substantially similar to this agreement.

(f) "Revenue Share Percentage" shall equal a fraction, the numerator of which is the total amount of Participating Operating Payments paid to the Authority by XXX, on behalf of itself and its Identified Affiliates, for a Fiscal Year and the denominator of which is the total amount of Participating Operating Payments paid to the Authority by all Participating Airlines, on behalf of themselves and their Identified Affiliates, for a Fiscal Year.

(g) Capitalized terms not defined herein shall have the definitions assigned to such terms in the Rate Resolution.

2. XXX Covenants.

(a) XXX agrees not to challenge the Rate Resolution, the rate making methodology thereunder (the "Methodology"), or the rates and charges determined in accordance with the Methodology for a period of three (3) years (i.e. Fiscal Years 2014, 2015 and 2016). The agreement of XXX in this paragraph means that XXX shall not file, participate in, finance, contribute to or otherwise support a formal complaint or lawsuit with, or a specific request for action to, the United States Department of Transportation ("USDOT"), the Federal Aviation Administration ("FAA"), or any state or federal court objecting to or challenging the Authority's Rate Resolution, the rates and charges determined thereunder, or the rate Methodology therein, including but not limited to commencing a "rocket docket" proceeding under 49 U.S.C. § 47129 with the USDOT or a Part 16 complaint with the FAA.

(b) XXX agrees to pay Rates and Charges for its use and occupancy of space, facilities and equipment at the Airport calculated in accordance with the Methodology for Fiscal Years 2014, 2015 and 2016, and acknowledges that this Agreement constitutes a written agreement with air carriers within the meaning of 49 U.S.C. § 47129(e)(1).

(c) XXX shall execute, prior to December 31, 2013, a Letter of Authorization committing to occupy and use at least one gate/holdroom area and corresponding ticket counter queue space and bag make-up space, as prescribed by Airport Policies and Procedures, through September 30, 2016.

3. Authority Covenants.

(a) (i) In the event Airlines accounting for seventy five percent (75%) or more of the enplaned passengers at the Airport for the twelve (12) months ending September 30, 2013 sign a Rate and Revenue Sharing Agreement on or prior to December 31, 2013, the Authority will agree not to materially modify the Methodology through fiscal year 2016. XXX acknowledges that Rates and Charges are likely to, and are permitted to, change from year to year, even though the rate Methodology does not change.

(ii) Notwithstanding the foregoing, in the event (1) the Methodology is successfully challenged by one or more Airlines, whether or not such Airlines signed a Rate and Revenue Sharing Agreement, (2) the Authority deems it to be in the Authority's best interest to settle such a challenge, (3) the Authority is otherwise required to modify the Methodology in accordance with applicable law, regulation or directive, or (4) Airlines accounting for seventy five percent (75%) or more of the enplaned passengers for the most recent twelve (12) full months preceding an agreement to change the Methodology do agree with the Authority on changes to the Methodology, then the Authority shall be released of its obligation under Section 3(a)(i) above not to materially modify the Methodology.

(iii) In the event the Authority materially modifies the Methodology for any reason other than as set forth in Section 3(a)(ii)(4) then (1) XXX's agreement in Sections 2(a) and (b) above shall terminate and be of no further force and effect for any Fiscal Year affected by such material modifications, and (2) XXX shall have the option, for a period of sixty (60) days after receipt of notice of such material modification, to terminate the remaining period of the Letter of Authorization signed pursuant to Section 2(c) above; and upon any subsequent challenge by XXX to the Rate Resolution, the materially modified Methodology or rates and charges determined in accordance with the materially modified Methodology or upon the termination of the Letter of Authorization, the obligation of the Authority to make any Revenue Sharing Payment hereunder shall terminate and be of no further force and effect and XXX shall reimburse to the Authority all Revenue Sharing Payments made to XXX hereunder for the Fiscal Years to which the challenge relates or for which the Letter of Authorization was terminated.

(b) (i) For each Fiscal Year from Fiscal Year 2014 through Fiscal Year 2016, Authority will pay to XXX an amount equal to XXX's Revenue Share Percentage of any Net Shared Revenues generated in such Fiscal Year ("Revenue Sharing Payment").

(ii) In the event of a breach by XXX of this Agreement and, in the case of a failure to timely pay Rates and Charges under Section 2(b) above, such breach is not cured within fifteen (15) business days after written notice to XXX, (1) the obligation of Authority to make any Revenue Sharing Payment hereunder shall terminate and be of no further force and effect, and (2), except in the case where such breach was a failure to timely pay Rates and Charges under Section 2(b) above, XXX shall reimburse to the Authority all Revenue Sharing Payments previously made to XXX hereunder. Reimbursed Revenue Sharing Payments shall be retained by the Authority and not redistributed to XXX or any other Airlines.

(iii) Authority shall use commercially reasonable efforts to pay to XXX the Revenue Sharing Payment owed to XXX each Fiscal Year within thirty (30) days after acceptance of the audit for the applicable Fiscal Year by the Authority Board. To the extent reliable information is available to the Authority to make Revenue Sharing Payment calculations, the Authority will pay seventy five percent (75%) of the estimated final Revenue Sharing Payment on or before December 31 of each year for the prior Fiscal Year.

(iv) In the event the Authority is prohibited by applicable law or regulation from sharing Revenues from any particular source, the Authority and XXX agree that Revenues from such source shall not be shared. In such case, the Authority shall identify

specific sources from which Revenues may be shared and, to the extent possible, attribute Net Shared Revenues as being derived from such sources.

4. Notice.

(a) All notices, requests, consents, and approvals served or given under this Agreement shall be served or given in writing with proof of delivery. If intended for Authority, notices shall be delivered to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399

or to such other address as may be designated by Authority by written notice to XXX.

(b) Notices to XXX shall be delivered to:

Attn.: _____

or to such other address as may be designated by XXX by written notice to Authority.

5. Amendment.

Except as specifically set forth herein, nothing herein shall amend, modify, or terminate the terms of the Rate Resolution or the terms of any Letter of Authorization or Operating Permit between the Authority and XXX.

6. Entire Agreement.

This Rate and Revenue Sharing Agreement is the entire agreement of the parties with respect to the subject matter herein, and supersedes all prior agreements relating to such subject matter, whether written or oral.

7. Governing Law, Jurisdiction, and Venue.

This Agreement shall be governed by the laws of the State of Florida. The parties hereto consent to the personal jurisdiction of, and agree that exclusive venue for any and all actions or lawsuits filed in connection with the Agreement shall be in, the state and federal courts in and for Orange County, Florida or the Middle District of Florida.

This agreement has been executed by the parties as of the date set forth above.

_____ **XXX** _____

Greater Orlando Aviation Authority

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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APPENDIX E

**AUDITED FINANCIAL STATEMENTS AND REPORT
OF THE INDEPENDENT AUDITORS THEREON
FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 2015 AND 2014**

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Authority Board
Greater Orlando Aviation Authority
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Greater Orlando Aviation Authority (the "Authority") as of and for the fiscal years ended September 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2015 and 2014, and the changes in its financial position and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended September 30, 2015, the Authority adopted the provisions of Governmental Accounting Standards Board Statement ("GASBS") 68, *Accounting and Financial Reporting for Pensions* and GASBS 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As a result of the implementation of GASBS 68 and 71, the Authority reported a restatement for the change in accounting principle as of October 1, 2013. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority’s basic financial statements. The introductory section, supplemental schedules, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2016, on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 9, 2016



- **Management's Discussion and Analysis**



management's discussion and analysis (unaudited)

The following discussion and analysis of the Greater Orlando Aviation Authority (the Authority) provides an introduction to the basic financial statements for the fiscal years ended September 30, 2015 and 2014 with selected comparative information for the fiscal year ended September 30, 2013. This discussion has been prepared by management and should be read in conjunction with the basic financial statements, footnotes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the Authority's finances.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is structured as an enterprise fund with separate accounts for Orlando International Airport and Orlando Executive Airport. The financial statements are prepared on the accrual basis of accounting. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are capitalized and depreciated, except for land and assets held for future use, over their useful lives. See "Notes to the Financial Statements" for a summary of the Authority's significant accounting policies and practices.

The Statements of Net Position present information on all of the Authority's assets, deferred outflows, liabilities and deferred inflows, with the difference between total assets and deferred outflows and total liabilities and deferred inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial position.

The Statements of Revenues, Expenses and Changes in Net Position present information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The Statements of Cash Flows report the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in these statements. A reconciliation follows these statements to assist in the understanding of the difference between cash flow from operating activities and operating income.

AUTHORITY ACTIVITY HIGHLIGHTS

Overall, total enplanements increased 7.4 % during fiscal year 2015 while operations increased by 6.1%. The increase in enplanements was due to an increase in domestic and international travelers. During fiscal year 2014 total enplanements were slightly up at Orlando International Airport with a 0.6% increase from fiscal year 2013, due to an increase in international travelers, while operations decreased by 1.6%. Fiscal year 2013 saw slight decreases due to reduced domestic seat capacity.

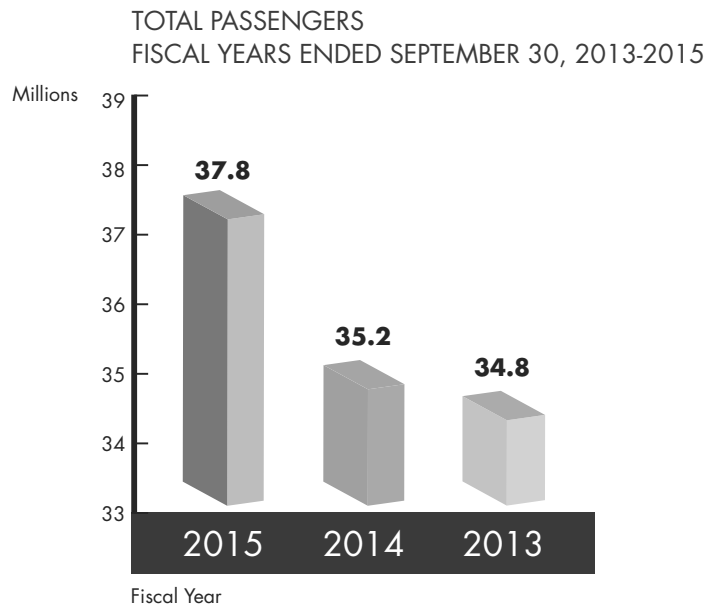
The following chart shows total enplaned passengers and flight operations (landings and take-offs) at Orlando International Airport for a three-year comparative period:

ENPLANEMENTS AND OPERATIONS ACTIVITY FOR 2013 TO 2015

	2015	2014	2013
Enplaned Passengers	18,827,098	17,534,998	17,427,267
Operations	288,766	272,208	276,554

Total passengers served by the Authority during fiscal year 2015 increased by approximately 2.6 million from fiscal year 2014. This follows an increase of approximately 0.4 million total passengers during fiscal year 2014. The Authority continues to monitor changes in passenger levels, making adjustments when necessary to accommodate the demands on the airport facilities.

The following graph represents total passenger activity at Orlando International Airport for the fiscal years ended September 30:



FINANCIAL HIGHLIGHTS

Revenues

Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For The Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board on October 16, 2013 (the "Resolution"). The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. Any airline may commit to use certain terminal space on an exclusive or preferential basis and, as a result, pay a fixed monthly charge for such space. Otherwise, airlines pay for terminal space assigned by the Authority on a per use basis.

Effective November 1, 2013, airlines had the option to sign a Rate and Revenue Sharing Agreement (“Rate Agreement”), whereby the airline affirmatively agreed to the Resolution and the rate-setting methodology therein, and further agrees not to challenge the rates and charges calculated under the Resolution’s rate-setting methodology through any judicial or regulatory process throughout the term of the agreement which expires on September 30, 2016. Airlines that sign, and comply with the terms of, a Rate Agreement with the Authority are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses, including fund deposit requirements (“Net Remaining Revenues”). The Authority received the first \$50 million and \$45 million of Net Remaining Revenues for FY 2015 and 2014 respectively, with participating airlines sharing in a pool of all Net Remaining Revenues in excess of this amount. The Participating Airline revenues for fiscal year 2015 and 2014 represented approximately 28% of total operating revenue.

Prior to November 1, 2013, the Authority operated under an Airline-Airport Lease and Use Agreement (ALUA) with certain airlines (the Signatory Airlines) serving the Airport. The ALUA which expired on September 30, 2013, provided for a compensatory rate-making methodology for use of the terminal facilities, a cost center residual rate-making methodology to establish landing fees for the use of the airfield, revenue sharing between the Authority and Signatory Airlines, and an Extraordinary Coverage Protection provision. During the month of October 2013, the Authority continued to operate under the ALUA which was originally scheduled to expire on September 30, 2013.

The ALUA provided for the sharing of revenues after the payment of debt service and other fund deposit requirements (net remaining revenues) with the Signatory Airlines. The net remaining revenues for fiscal year 2013 was divided between the Authority and Signatory Airlines using an allocation percentage of 75% and 25%, respectively. The Signatory Airline revenues for fiscal years 2013 represented 25% of total operating revenue.

The Authority’s total revenues increased in fiscal year 2015 mainly due to an increase in airline revenues, parking revenues, rental car revenues, and hotel revenues. Those results are as follows:

TOTAL REVENUES (IN THOUSANDS)

	2015	2014	2013
Total Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601
Total Nonoperating Revenues	103,506	95,970	91,179
Total Revenues	\$ 534,248	\$ 495,218	\$ 471,780

Operating Revenues

Overall, the operating revenues of the Authority increased \$31.5 million in fiscal year 2015, or 7.9% from the previous year due to greater airline, parking, rental car and hotel revenues. Participating Airline Revenue increased \$10.6 million or 9.3% as a result of an increase in baggage system fees that were introduced with the Resolution effective November 1, 2013. Fiscal year 2015 was the first full year of baggage system fees as compared to only 11 months in the prior fiscal year. Non-Participating Airline Revenue increased \$3.0 million or 15.1% due in large part to an increase in federal inspection station and facilities fees consistent with the increase in international passengers and an increase in apron use fees. Overall Concession Revenues increased \$0.9 million or 1.5%. Food and Beverage and General Merchandise combined revenues increased \$2.7 million or 7.1% while Service Concession and Other Terminal Area Revenues decreased \$0.3 million or 1.3% as a result of the removal of the specialty DVD kiosk. Ground Transportation revenues increased \$10.0 million or 6.8% primarily due to an increase in rental car company and parking revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$4.2 million or 12.7% increase in hotel revenues.

Overall, the operating revenues of the Authority increased \$18.6 million in fiscal year 2014, or 4.9% from the previous year due to greater airline, and rental car revenues. Participating Airline Revenue increased \$16.8 million or 17.3% as a result of a new baggage system charge. Non-Participating Airline Revenue decreased \$2.6 million or 11.6% due in large part to Aero Mexico becoming a participating airline during fiscal year 2014. Overall Concession Revenues decreased \$1.0 million or 1.6%. Food and Beverage and General Merchandise combined revenues increased \$1.6 million or 4.3% while Service Concession and Other Terminal Area Revenues decreased \$2.6 million or 9.4% primarily due to a reduction in the non-airline terminal rental rate. Ground Transportation revenues increased \$4.4 million or 3.1% primarily due to an increase in rental car company revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$0.9 million or 2.8% increase in hotel revenues.

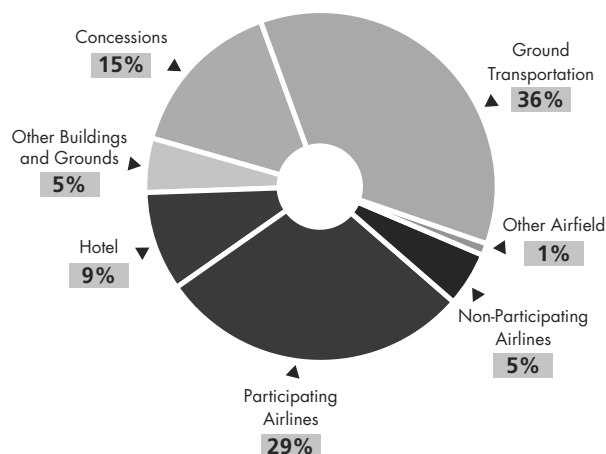
OPERATING REVENUES BY MAJOR SOURCE (IN THOUSANDS)

	2015	2014	2013
Participating Airlines ⁽¹⁾			
Landing Fees	\$ 28,595	\$ 27,046	\$ 26,786
Terminal Area Rents	50,746	49,608	65,196
Other Participating Revenue	44,836	36,911	4,825
Participating Airline Revenues	124,177	113,565	96,807
Non-Participating Airlines ⁽¹⁾			
Landing Fees	3,292	2,902	3,830
Terminal Area Rents	806	525	1,133
Other Non-Participating Revenue	18,453	16,164	17,194
Non-Participating Airline Revenues	22,551	19,591	22,157
Other Airfield Revenues	2,196	2,134	2,230
Concession			
General Merchandise	21,219	19,893	19,071
Food and Beverage	19,526	18,144	17,395
Services	11,066	11,659	11,760
Other Terminal Area	13,863	13,587	16,115
Concession Revenues	64,218	63,283	64,341
Ground Transportation			
Rental Car (RAC)	91,835	87,018	83,345
Parking Facilities	53,970	50,050	49,801
Other Ground Transportation	12,443	11,167	10,658
Ground Transportation Revenues	158,248	148,235	143,804
Other Buildings and Grounds	20,512	19,260	18,877
Hotel	37,384	33,180	32,285
Total Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601

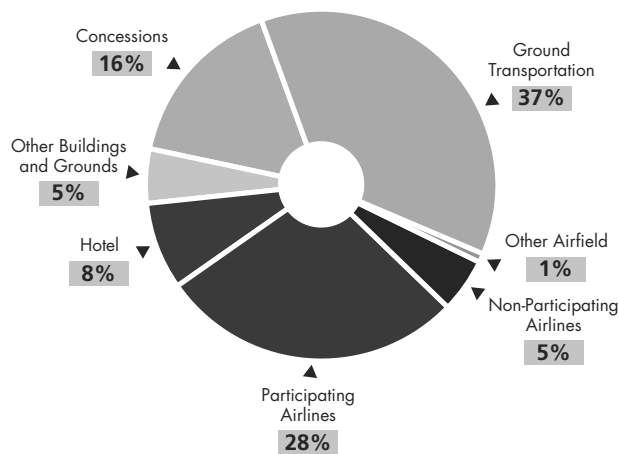
(1) Effective November 1, 2013, the airlines classifications have been changed to Participating from Signatory and changed to Non-participating from Non-signatory pursuant to the *Resolution* adopted by the Authority Board October 16, 2013, see Note 15.

The following charts show major sources and the percentage of operating revenues for the years ended September 30, 2015, 2014 and 2013:

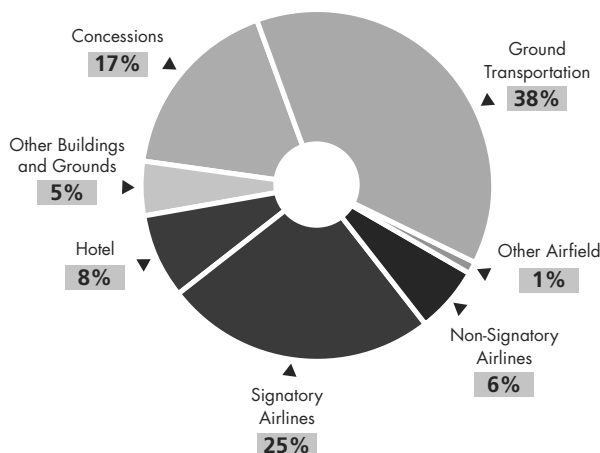
2015 OPERATING REVENUES



2014 OPERATING REVENUES



2013 OPERATING REVENUES



Nonoperating Revenues

Nonoperating revenues consist of investment income, passenger facility charges (PFCs), customer facility charges (CFCs), and other nonoperating revenue. Investment income was \$3.1 million in fiscal year 2015, \$2.1 million in fiscal year 2014 and \$2.4 million in fiscal year 2013. Investment fair market value adjustment was \$1.9 million for fiscal year 2015, \$1.3 million for fiscal year 2014 and (\$3.0) million for fiscal year 2013. The fair market value adjustment reflects the unrealized gain or loss if the investment is sold prior to maturity. Since the Authority typically holds investments to maturity, these unrealized gains and losses would not be realized. PFC revenues were \$73.0 million in fiscal year 2015, \$67.5 million in fiscal year 2014 and \$67.0 million in fiscal year 2013. The increase in PFC revenues in fiscal year 2015 over fiscal year 2014 is due to an increase in passenger enplanements. The increase in PFC revenues in fiscal year 2014 over fiscal year 2013 is due to a slight increase in passenger enplanements. The Authority approved the collection of CFCs effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental car related facilities. Revenue related to the collection of CFCs amounted to \$25.0 million during fiscal year 2015, \$23.9 million during fiscal year 2014 and \$23.2 million during fiscal year 2013.

Operating Expenses

The Authority implemented Governmental Accounting Standard Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions (as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date). These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals, and expenses. As a result, the Authority restated the beginning net position of fiscal years 2014 and 2013. Also, certain affected expenses for 2014 and 2013 have been restated to reflect the effects of GASB Statement No. 68.

Operating Expenses before Depreciation increased \$26.1 million or 12.2% from fiscal year 2014 to 2015. Operation and facilities expenses increased due to an increase in baggage handling services costs, federal inspection services and other direct support for the increase in international travelers. Safety and security increased as a result of additional security staffing for international flights arriving during off hours. In addition repairs and maintenance projects increased including maintenance on passenger boarding bridges, as well as contractual increases in salaries and benefits and other professional services. There was also an increase in other professional services primarily due to the development of an enhanced customer service experience program and a new Air Service Incentive Plan (ASIP) effective for fiscal year 2015.

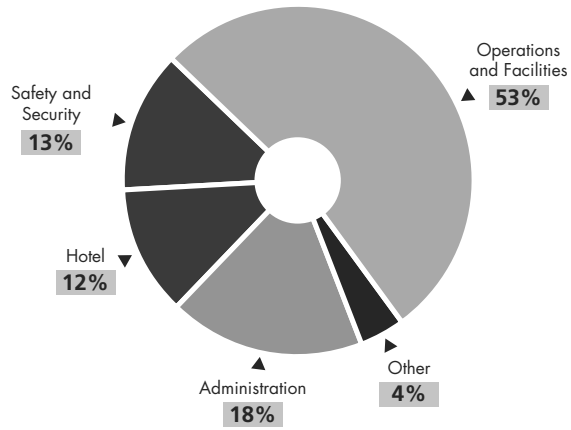
Operating Expenses before Depreciation increased \$1.6 million or 0.7% from fiscal year 2013 to 2014. Operation and facilities expenses increased due to an increase in baggage handling services costs. Safety and security increased as a result of additional costs for the law enforcement officers stationed at the security checkpoints, and increased pension costs associated with the OPD contract. Salaries and benefits increased due to a net increase of five positions and as result of a cost of living salary increase for Authority personnel. There was also an increase in other professional services primarily due to the development of an enhanced customer service experience program which began in fiscal year 2014, services for Payment Card Industry Data Security Standard Compliance and the Merchant Bank ePayment Gateway Program, and additional owner-authorized representative staff support services to planning and engineering.

OPERATING EXPENSES (IN THOUSANDS)

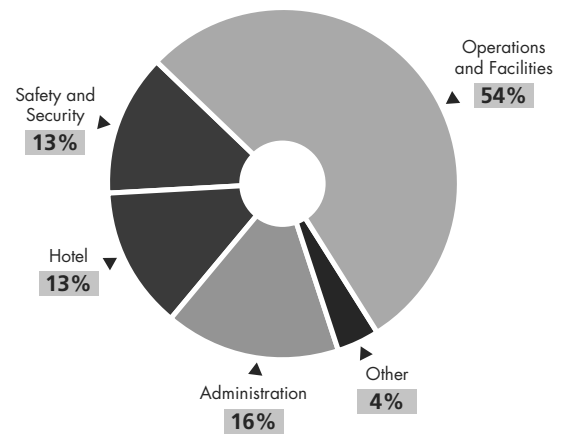
	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Operations and Facilities	\$ 128,305	\$ 116,635	\$ 118,459
Safety and Security	31,182	27,754	27,535
Administration	43,619	34,851	31,568
Hotel	28,168	26,604	26,425
Other	9,311	8,670	8,969
Total Operating Expenses Before Depreciation	240,585	214,514	212,956
Depreciation	119,878	119,503	119,899
Total Operating Expenses	\$ 360,463	\$ 334,017	\$ 332,855

The following charts show major cost centers and the percentage of operating expenses (excluding depreciation) for the years ended September 30, 2015, 2014 and 2013:

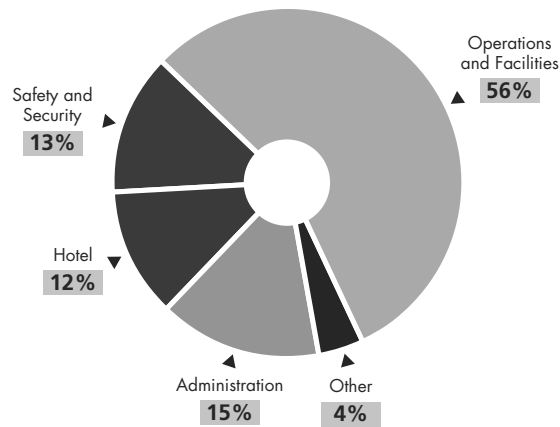
2015 OPERATING EXPENSES



2014 OPERATING EXPENSES (AS RESTATED)



2013 OPERATING EXPENSES (AS RESTATED)



Nonoperating Expenses

Nonoperating expenses consist of interest expense and Participating Airline net revenue sharing required by the Resolution. Interest expense amounted to \$46.6 million in fiscal year 2015, \$46.6 million in fiscal year 2014 and \$53.0 million in fiscal year 2013. Participating Airline net revenue sharing was \$60.8 million for fiscal year 2015, \$51.5 million for fiscal year 2014 and \$18.9 million for fiscal year 2013. In accordance with the Rate Agreement the Authority receives the first \$50.0 million of Net Remaining Revenues for FY 2015 versus \$45.0 million in 2014, with participating airlines receiving the excess of this amount. The participating airline revenue share also increased by 17.9% for the fiscal year 2015 over fiscal year 2014. This increase is primarily due to greater airline, parking, rental car and hotel revenues. The \$32.6 million or 172.3% increase in Participating Airline net revenue sharing in fiscal year 2014 over fiscal year 2013 is primarily due to an increase in airline revenue including baggage system fees, and rental car revenue.

TOTAL EXPENSES (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Total Operating Expenses	\$ 360,463	\$ 334,017	\$ 332,855
Total Nonoperating Expenses	107,391	98,122	71,912
Total Expenses	\$ 467,854	\$ 432,139	\$ 404,767

CAPITAL CONTRIBUTIONS

Capital contributions received from the federal, state and other governments amounted to \$35.3 million during fiscal year 2015. Grant funding received on major projects for fiscal year 2015 are as follows:

CAPITAL CONTRIBUTIONS (IN MILLIONS)

Intermodal Terminal Facility	18.0
Ticket Lobby	3.5
Taxiway Rehabilitation	2.7
Baggage System Optimization	2.4
East/West Checkpoint Glass	2.0
South APM Roadway	1.3
CCTV	1.2
South APM Guideway	1.1
APM	1.1
Tradeport	0.7
Other Projects (<\$0.5 million)	1.3
Total Capital Contributions	\$ 35.3

The changes in net position for the fiscal years ended September 30 are as follows:

CHANGES IN NET POSITION (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601
Operating Expenses	360,463	334,017	332,855
Operating Income	70,279	65,231	47,746
Net Nonoperating Revenues (Expenses)	(3,885)	(2,152)	19,267
Income Before Capital Contributions	66,394	63,079	67,013
Capital Contributions	35,330	31,995	21,749
Increase in Net Position	\$ 101,724	\$ 95,074	\$ 88,762

Financial Position

The Statement of Net Position presents the financial position of the Authority at the end of the fiscal year. The statement includes all assets, deferred outflows, liabilities and deferred inflows of the Authority. Net position is the difference between total assets and deferrals and total liabilities and is an indicator of the current fiscal health of the Authority. During fiscal year 2015 net position increased by approximately \$101.7 million, or 5.7% as compared with fiscal year 2014. The following is a summarized comparison of the Authority's assets, deferred outflows, liabilities, deferred inflows and net position at September 30:

NET POSITION (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Assets and Deferred Outflows:			
Current Assets	\$ 364,870	\$ 356,682	\$ 384,210
Noncurrent Assets	816,707	738,694	645,195
Capital Assets	1,944,305	1,880,223	1,904,233
Deferred Outflows of Resources	21,256	47,547	51,122
Total Assets and Deferred Outflows	3,147,138	3,023,146	2,984,760
Liabilities and Deferred Inflows:			
Current	269,825	223,735	230,377
Noncurrent Liabilities	981,203	1,002,194	1,061,051
Deferred Inflows of Resources	8,952	11,783	2,972
Total Liabilities and Deferred Inflows	1,259,980	1,237,712	1,294,400
Net Position:			
Net Investment in Capital Assets	1,036,735	1,029,036	996,583
Restricted	646,823	523,913	479,190
Unrestricted	203,600	232,485	214,586
Total Net Position	\$1,887,158	1,785,434	\$1,690,360

The majority of the Authority's net position at September 30, 2015 represents its investment in capital assets less the related indebtedness outstanding used to acquire those capital assets. The Authority uses these capital assets to provide services to the airlines and to its passengers and visitors to the airports; consequently, these assets are not available for future spending. The Authority's investment in its capital assets is reported net of related debt. The resources required to repay this debt must be provided annually from operations since it is unlikely that the capital assets themselves will be liquidated to pay the liabilities.

Net position restricted for debt service and capital acquisitions at September 30, 2015 represents funds that are subject to external restrictions under the Authority's Bond Resolution, PFCs that are restricted by federal regulations, and CFC's that are restricted by the Rental Car Agreements. Restricted assets necessary to meet current obligations are classified as current assets on the Statement of Net Position. Restricted assets that are restricted for disbursements in the acquisition or construction of non-current assets or that are segregated for the liquidation of long-term debts are classified as non-current assets. The unrestricted portion of net position, \$203.6 million at September 30, 2015, may be used to meet the Authority's ongoing obligations.

Airline Rates and Charges

Effective November 1, 2013 the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For The Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the "Resolution"). During the month of October 2013 the Authority continued to operate under the ALUA, which was originally scheduled to expire on September 30, 2013. During fiscal year 2013 the Authority operated under the ALUA relating to the use of the Orlando International Airport, the rental of space, and the establishment of landing fees with 16 airlines. For fiscal years 2015 through 2013, in the chart below, the actual landing fees and average terminal rental rate are shown. See the Airline Rates by Resolution (Note 15) for additional information.

AIRLINE RATES AND CHARGES

	RATES EFFECTIVE FOR FY 2015	RATES EFFECTIVE FOR FY 2014	RATES EFFECTIVE FOR FY 2013*
Terminal Average Square Foot Rate	\$ 113.07	\$ 106.04	\$ 102.99
Landing Fee – per 1,000 lbs. Unit (gross)	1.4444	1.4393	1.4421
Cargo Landing Fee – per 1,000 lbs. Unit	1.4444	1.4393	1.7784

*Signatory Airline rates and charges. Beginning November 1, 2013, rates are applicable to all airlines.

Passenger Facility Charges

As part of the Safety and Capacity Expansion Act of 1990, the Authority received approval from the Federal Aviation Administration (FAA) to impose a passenger facility charge per eligible enplaned passenger at Orlando International Airport and has imposed the PFC since February 1993. Effective July 1, 2007 the charge increased from \$3 to \$4.50. PFCs may be used to pay either eligible capital improvements or debt service on bonds issued to finance projects eligible for PFC funding. Through September 2015, the Authority has approved applications to impose PFCs of approximately \$2.8 billion to fund project costs of various airport improvements. PFC collections to date (including investment earnings) are \$1.1 billion. Expenditures on PFC approved projects and debt service to date are \$890 million.

Capital Acquisitions and Construction Activities

During fiscal year 2015, the Authority expended \$179.1 million on capital projects. This included \$2.3 million funded by FAA contributions, \$28.6 million funded by Florida Department of Transportation (FDOT) contributions, \$2.9 million funded by the Transportation and Security Administration (TSA), and \$25.4 million funded by CFCs. The balance was paid from tenant and other Authority funds, including PFCs. Of the grants noted previously, \$1.2 million funded by the TSA are American Recovery and Reinvestment Act of 2009 (ARRA) grants. See the Schedule of Expenditures of Federal Awards and State Financial Assistance in the Compliance section for additional information regarding grant expenditures.

Major projects completed and the amounts transferred to capital assets during the fiscal year are listed as follows (in millions):

Taxiway Rehabilitation – OEA	\$ 2.6
CCTV	1.4
Airfield – OIA	0.7
Relocation Maintenance Facility – OEA	0.7
Baggage Claim	0.7
Ticket Lobby Elevators	0.5
Other Projects (< \$0.5 million)	1.4
Total	\$ 8.0

Major projects under construction and the amounts expended during fiscal year 2015 are listed as follows (in millions):

Baggage System Optimization	\$ 21.7
South Airport Automated People Mover Complex	77.5
Intermodal Terminal Facility	18.7
Airside 4 Improvements	16.2
Cell Lot/Taxi Hold	9.5
Ticket Lobby Improvements	9.0
Airside 1 & 3 Automated People Mover	8.1
Taxiway Rehabilitation – OEA	2.9
Tradeport	2.7
Other Projects (<\$2.0 million)	12.8
Total	\$ 179.1

More detailed information about the Authority's capital assets is presented in Note 6 to the financial statements.

Debt Activities

The Authority has outstanding revenue bonds which are secured by a pledge of and lien on Revenues and Net Revenues as defined in the Bond Resolution. This senior indebtedness is expressly senior and superior to the pledge and lien securing other subordinated indebtedness.

Senior Indebtedness

Pursuant to the Bond Resolution, the Authority has issued various series of Airport Facilities Revenue Bonds to finance additions and improvements at the airport. The aggregate principal amount of such bonds outstanding as of September 30, 2015 was \$801 million.

On September 19, 2013 the Authority issued \$46.9 million in Airport Facilities Revenue Bonds, Series 2013A (AMT) (the "Series 2013A Bonds") with a true interest rate of 3.50%. The Series 2013A Bonds were issued for the purpose of providing funds, along with other available Authority funds of \$3.0 million, to finance costs of the Baggage Handling Systems Improvement Program; make a deposit to the Composite Reserve Subaccount in an amount sufficient to cause the balance to equal the Composite Reserve Requirement, pay capitalized interest on the 2013A Bonds, and to pay certain costs of issuance of the Series 2013A Bonds.

On September 4, 2013 the Authority issued \$35.9 million in Airport Facilities Refunding Revenue Bonds, Series 2013B (the "Series 2013B Bonds") with a true interest rate of 1.65%. From the \$35.9 million issuance and the \$3.2 million of Authority funds, \$38.9 million was deposited into the Bank of New York escrow account to refund the outstanding \$38.0 million of Airport Facilities Refunding Revenue Bonds, Series 2003A and pay associated interest of \$0.9 million. The remaining Series 2013B Bond proceeds of \$0.2 million were used to pay related issuance costs.

Subordinated Indebtedness

Other parity subordinated indebtedness as defined in the Master Trust Indenture currently consists of the Gulf Breeze Loan Agreements and the Lines of Credit Indebtedness. Other parity subordinated indebtedness is payable from revenues deposited into the Discretionary Account and subordinate to senior indebtedness of the Authority. As of September 30, 2015 the aggregate principal amount of all other parity-subordinated indebtedness was \$183.6 million.

Gulf Breeze Loan Agreements

Between 1991 and 1993 the Authority borrowed a total of \$35 million at a variable interest rate from the City of Gulf Breeze, Florida, Local Government Loan Program, to finance a portion of the costs of the Airport's hotel. On July 1, 1998 the Authority remarketed these bonds to fixed rates. The aggregate principal amount of such bonds outstanding as of September 30, 2015 was \$2.9 million.

Lines of Credit

The Authority uses the lines of credits as a source of interim financing for capital projects in anticipation of issuance of long term bonds and/or receipt of grants and PFCs, CFCs, Authority Funds and/or other permanent funding sources. As of September 30, 2015 the Authority had drawn \$180.7 million on the lines of credit.

In December 2009, the Authority entered into a three-year agreement with Wells Fargo Bank, N.A. to provide the Authority with a \$100 million subordinated line of credit. The Wells Fargo Line of Credit had a scheduled expiration date of December 1, 2012. In July 2012 the Authority and Wells Fargo agreed to extend the line of credit to February 2015. Effective July 2014 the line of credit was increased to \$250 million; subsequently the Authority and Wells Fargo agreed to extend the line of credit to August 31, 2015. In July 2015 the Authority entered into a new three-year agreement with Wells Fargo to provide the Authority with a \$250 million subordinated line of credit with an expiration date of June 29, 2018. The 2009 agreement with Wells Fargo was simultaneously terminated. As of September 30, 2015 the Authority had a \$137.5 million outstanding balance on the Wells Fargo Line of Credit.

In May 2013 the Authority entered into a three-year agreement with Bank of America, N.A. to provide the Authority with a \$150 million subordinated line of credit. Effective July 2014 the line of credit was increased to \$200 million. The term of the Bank of America Line of Credit expires April 1, 2016. As of September 30, 2015 the Authority had a \$43.2 million outstanding balance on the Bank of America Line of Credit.

Secondary Subordinated Indebtedness

In August 2015 the Authority paid off the Secondary Subordinated Revenue Bonds Series 1997B, with a line of credit. The swap associated with the bond was simultaneously terminated. The Authority intends to issue subordinate debt during fiscal year 2016 and refund the line of credit.

Special Purpose Facilities Bonds

The Authority has issued Special Purpose Facilities Taxable Revenue Bonds, Series 2009 to construct a Rental Car Quick Turn Around and Support Facility. These bonds are payable solely from and secured by a pledge of Pledged Revenues derived by the Authority from CFCs. The principal amount of such bonds outstanding as of September 30, 2015 was \$25.8 million.

Debt Service Coverage

Airport revenue bond covenants require that revenue available to pay debt service, as defined in the Bond Resolution, be equal to or greater than 1.25 times the debt service on the senior lien airport revenue bonds and 1.00 times the debt service on subordinated bonds and other parity indebtedness. Coverage ratios for the past three years are shown in the following table:

COVERAGE RATIOS			
	2015	2014	2013
Senior lien debt	2.15	2.06	1.63
All indebtedness	2.02	1.93	1.56

More detailed information about the Authority's noncurrent liabilities is presented in Note 11 to the financial statements.

Request for Information

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any information provided in this report or request for additional information should be addressed to the Chief Financial Officer, Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, FL 32827-4392.



Jacki Churchill
Chief Financial Officer



Kathleen M. Sharman
Director of Finance



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AVIATION AUTHORITY
Orlando, Florida



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- **Basic Financial Statements**

These basic financial statements provide a summary of the financial position and operating results of the Authority which consists of two airports, Orlando International Airport and Orlando Executive Airport. They also serve as an introduction to the more detailed financial statements and supplemental schedules that are in the following subsections.



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AVIATION AUTHORITY
Orlando, Florida

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF NET POSITION
 As of September 30, 2015 and 2014
 (in thousands)

ASSETS AND DEFERRALS	2015	2014 (As Restated)
Current Assets		
Cash and cash equivalents	\$ 189,273	\$ 141,927
Restricted cash and cash equivalents	149,804	122,197
Accounts receivable, less allowance for uncollectibles of \$139 and \$142	14,356	14,038
Investments	2,497	71,966
Interest receivable	71	106
Due from other governmental agencies	1,909	641
Prepaid expenses and inventory	6,960	5,807
Total current assets	364,870	356,682
Noncurrent Assets		
Restricted assets:		
Cash and cash equivalents	410,959	304,435
Accounts receivable	9,568	10,280
Investments	306,975	321,747
Interest receivable	800	422
Due from other governmental agencies	12,307	13,561
Prepaid expenses	848	246
Total restricted assets	741,457	650,691
Unrestricted assets:		
Investments	67,593	81,042
Prepaid expenses	387	783
Employee postemployment benefits assets	7,270	6,178
Total unrestricted assets	75,250	88,003
Capital assets, net of accumulated depreciation:		
Property and equipment	1,314,092	1,390,439
Property held for lease	361,746	392,486
Construction in progress	268,467	97,298
Total capital assets, net of accumulated depreciation	1,944,305	1,880,223
Total noncurrent assets	2,761,012	2,618,917
Total assets	3,125,882	2,975,599
Deferred outflows of resources	21,256	47,547

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF NET POSITION
 As of September 30, 2015 and 2014
 (in thousands)

LIABILITIES, DEFERRALS, AND NET POSITION	2015	2014 (As Restated)
Current Liabilities		
Accounts payable and accrued liabilities	\$ 30,318	\$ 23,521
Unearned revenue	2,025	2,978
Deposits	6,298	6,499
Advance rent from tenants, current	7,349	5,274
Due to other governmental agencies	4,480	6,809
Accrued airline revenue sharing	69,551	56,457
Payable from restricted assets:		
Accrued interest	19,708	22,188
Accounts payable and accrued liabilities	50,695	25,552
Unearned revenue	-	6
Due to other governmental agencies	46	1,131
Revenue bonds payable, current	79,355	73,320
Total current liabilities	269,825	223,735
Noncurrent Liabilities		
Net pension liability	14,753	19,014
Line of credit, long-term	180,695	29,700
Revenue bonds payable, long-term	760,309	948,322
Advance rent from tenants, long-term	1,364	1,558
Other long-term liabilities	24,082	3,600
Total noncurrent liabilities	981,203	1,002,194
Total liabilities	1,251,028	1,225,929
Deferred inflows of resources	8,952	11,783
Net Position		
Net investment in capital assets	1,036,735	1,029,036
Restricted for:		
Debt service	106,582	97,787
Capital acquisitions and construction	540,241	426,126
Unrestricted	203,600	232,485
Total Net Position	\$ 1,887,158	\$ 1,785,434

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 For the Years Ended September 30, 2015 and 2014
 (in thousands)

	<u>2015</u>	<u>2014</u> <u>(As Restated)</u>
Operating Revenues		
Airfield area	\$ 38,324	\$ 35,300
Terminal area	176,589	163,547
Ground transportation	158,248	148,235
Other buildings and grounds	20,197	18,986
Hotel	<u>37,384</u>	<u>33,180</u>
Total operating revenues	<u>430,742</u>	<u>399,248</u>
Operating Expenses		
Operations and facilities	128,305	116,635
Safety and security	31,182	27,754
Administration	43,619	34,851
Hotel	28,168	26,604
Other	<u>9,311</u>	<u>8,670</u>
Total operating expenses before depreciation	<u>240,585</u>	<u>214,514</u>
Operating income before depreciation	190,157	184,734
Depreciation	<u>(119,878)</u>	<u>(119,503)</u>
Operating income	70,279	65,231
Nonoperating Revenues (Expenses)		
Investment income	3,090	2,077
Net increase in the fair value of investments	1,866	1,272
Interest expense	(46,606)	(46,569)
Participating Airline net revenue sharing	(60,785)	(51,553)
Passenger facility charges	73,016	67,501
Customer facility charges	25,039	23,951
Federal and state grants	262	797
Other	<u>233</u>	<u>372</u>
Income before capital contributions	<u>66,394</u>	<u>63,079</u>
Capital Contributions	<u>35,330</u>	<u>31,995</u>
Increase in net position	101,724	95,074
Total Net Position, Beginning of Year, as previously reported	1,785,434	1,719,433
Change in accounting principle	<u>-</u>	<u>(29,073)</u>
Total Net Position, Beginning of Year, as restated	<u>\$ 1,785,434</u>	<u>\$ 1,690,360</u>
Total Net Position, End of Year	<u>\$ 1,887,158</u>	<u>\$ 1,785,434</u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF CASH FLOWS
 For the Years Ended September 30, 2015 and 2014
 (in thousands)

	2015	2014 (Restated)
Cash flows from operating activities		
Cash received from customers, tenants and governmental agencies	\$ 439,952	\$ 404,585
Cash paid to suppliers and governmental agencies	(184,129)	(157,902)
Cash paid to employees for services	(61,455)	(59,792)
Cash paid to airlines	(56,457)	(26,506)
Other income	276	308
Net cash provided by operating activities	138,187	160,693
Cash flows from noncapital financing activities		
Operating grants	443	454
Passenger facility charges	59	379
Net cash provided by noncapital financing activities	502	833
Cash flows from capital and related financing activities		
Proceeds from line of credit	150,995	28,700
Passenger facility charges	74,077	65,694
Customer facility charges	24,618	23,865
Principal payments - bonds and line of credit	(163,375)	(123,873)
Bond issuance costs	(76)	(7)
Interest paid	(45,071)	(47,625)
Proceeds from sale of assets	14	291
Acquisition and construction of capital assets	(155,612)	(81,507)
Advance proceeds from FDOT-ITF	30,000	-
Capital contributed by federal and state agencies	24,574	25,303
Net cash used for capital and related financing activities	(59,856)	(109,159)
Cash flows from investing activities		
Purchase of investments	(335,347)	(497,602)
Proceeds from sale and maturity of investments	434,902	467,895
Interest received	3,089	2,343
Net cash (used for) provided by investing activities	102,644	(27,364)
Net increase in cash and cash equivalents	181,477	25,003
Cash and Cash Equivalents, Beginning of Year	568,559	543,556
Cash and Cash Equivalents, End of Year ⁽¹⁾	\$ 750,036	\$ 568,559
(1) Cash and Cash Equivalents - Unrestricted Assets	\$ 189,273	\$ 141,927
Cash and Cash Equivalents - Restricted Assets - Current	149,804	122,197
Cash and Cash Equivalents - Restricted Assets - Noncurrent	410,959	304,435
	\$ 750,036	\$ 568,559

(continued)

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF CASH FLOWS
 For the Years Ended September 30, 2015 and 2014
 (in thousands)

	2015	2014 (Restated)
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 70,279	\$ 65,231
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	119,878	119,503
Participating Airline net revenue sharing	(60,785)	(51,553)
Other income	276	305
(Increase) Decrease in operating assets:		
Accounts receivable	(229)	(2,073)
Due from other governmental agencies	(240)	78
Prepaid expenses	(1,153)	189
Employee postemployment benefits assets	(1,092)	(1,701)
Deferred outflows of resources	674	(620)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued liabilities	6,314	4,486
Due to other governmental agencies	(2,329)	18
Accrued airline revenue sharing	13,094	29,951
Unearned revenue	(959)	1,443
Deposits	(201)	87
Advanced rent from tenants	1,881	889
Net pension liability	(4,261)	(14,373)
Other liabilities	(129)	22
Deferred inflows of resources	(2,831)	8,811
Total adjustments	67,908	95,462
Net cash provided by operating activities	\$ 138,187	\$ 160,693

Noncash Investing, Capital and Financing Activities

Increase in fair value of investments	\$ 1,867	\$ 1,272
Capital contributions from other governments	\$ 10,756	\$ 6,692
Capitalized interest	\$ 3,328	\$ (3,526)
Amortization of bond insurance	\$ (396)	\$ (255)
Amortization of bond premium/discount	\$ (2,141)	\$ 2,246
Amortization of bond defeasement loss	\$ (4,873)	\$ (5,749)

See accompanying notes to basic financial statements



Notes to Financial Statements

1. Summary of Significant Accounting Policies and Practices
2. Operation and Use Agreement – City of Orlando
3. Cash Deposits and Investments
4. Due from Other Governmental Agencies
5. Restricted Assets
6. Capital Assets
7. Lease and Concession Agreements
8. Pension Plans
9. Postemployment Benefits (Other than Pension Benefits)
10. Risk Management
11. Noncurrent Liabilities
12. Derivatives and Hedging Activities
13. Conduit Debt Obligations
14. Capital Contributions
15. Airline Rates by Resolution
16. Outstanding Contracts
17. Commitments and Contingencies
18. Environmental Liabilities
19. Subsequent Events



GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Organization and Purpose: The Greater Orlando Aviation Authority (Authority) was established by the Florida State Legislature pursuant to the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida, 1957, as amended. The Authority operates Orlando International Airport and Orlando Executive Airport. For reporting purposes, these airports are combined into a single enterprise fund.

Reporting Entity: In defining the Greater Orlando Aviation Authority for financial reporting purposes, management applied the requirements of Governmental Accounting Standards Board (GASB) Statements Number 14, *The Financial Reporting Entity* and GASB Statement Number 39, *Determining Whether Certain Organizations Are Component Units*. These statements establish the basis for defining the reporting entity and whether it is considered a component unit of another entity and whether other entities are component units. Based on these criteria, the reporting entity includes only the accounts of the Authority in the reporting entity. The Authority identified no potential component units to include in these basic financial statements nor identified any other entity that should include the Authority in its basic financial statements.

Basis of Presentation and Accounting: The Authority's financial statements are prepared using the flow of economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when incurred.

The principal operating revenues of the Authority are from sources such as airlines, concessions, rental cars and parking. Investment income, passenger and customer facility charges, federal and state operating grants and other revenues not related to the operations of the airport are considered nonoperating revenues. Operating expenses include the cost of airport and related facilities maintenance, administrative expenses, and depreciation on capital assets. Interest expense and Participating Airline net revenue sharing are considered nonoperating expenses.

Cash and Cash Equivalents: Demand deposits, certificates of deposits, cash on hand and repurchase agreements with an original maturity of three months or less from the date of purchase are considered to be cash and cash equivalents.

Accounts Receivables: Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible accounts is based on an analysis of past due amounts that are not covered by security deposits, letters of credit or contract bonds. When continued collection activity results in receipts of amounts previously reserved, revenue is recognized in the period collected.

Investments: The Authority's investment policy is determined by the Finance Committee and approved by the Authority Board. Permitted investments are set within the policy and the Finance Committee appoints an Authorized Investment Officer. The Authorized Investment Officer submits a semi-annual report as of March 31 and September 30 to the Finance Committee summarizing the investment portfolio.

The Authority accounts for all investments, regardless of time to maturity or their acquisition date, at fair value on the statement of net position with unrealized gains and losses charged or credited to investment income. The Authority uses quoted market prices to determine these fair values.

Investments consist of commercial paper, corporate securities, local government investment pool, money market funds, and United States government and agency obligations.

Prepaid Expenses and Inventory: Prepaid expenses consist primarily of insurance, employee benefits and any other expenditures expected to benefit future periods. Inventory primarily consists of fuel, repairs and maintenance items and office supplies held for consumption and is valued using the average cost method.

**GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Noncurrent Assets:

- **Restricted Assets and Liabilities:** Assets restricted to specific purposes by legally enforceable requirements are segregated on the statement of net position. Requirements include: externally imposed requirements by creditors (such as through debt covenants), grantors or contributors; laws and regulations of other governments; and enabling legislation. The Authority's restricted assets are expendable. The Authority's policy is to determine on a case by case basis whether to spend restricted assets or unrestricted assets when both are available for the same purpose. Restricted assets necessary to meet current obligations that are payable from the restricted assets are classified as current assets on the statement of net position. Restricted assets that are restricted for disbursements in the acquisition or construction of noncurrent assets or that are segregated for the liquidation of long-term debts are classified as noncurrent assets.

Assets restricted for construction include funds available for the design and construction of capital improvements. Assets restricted for construction include cash, investments and receivables obtained from debt proceeds, grants, Authority funds restricted by the bond indenture for construction purposes, customer facility charges and passenger facility charges. Assets restricted for debt service include cash and investments required to pay the interest payments, principal for the annual bond payments, as well as payments due on the lines of credit. The restricted assets for debt service reserve include cash, investments and interest receivable totaling the maximum amount required by the bond indentures. The debt service reserve accounts are revalued each March 31 and September 30. Any amounts in excess of the debt service reserve requirements may be transferred to the Revenue Account to be used in accordance with the Revenue Account's purposes. If the debt service reserve account is undervalued, the Authority transfers funds into the account.

- **Unrestricted Assets:** A portion of unrestricted assets is reported as noncurrent. This represents amounts of unrestricted investments with maturities greater than one year. Employee postemployment benefits assets are also included in unrestricted noncurrent assets. These include the Net pension and Net OPEB assets, which are the result of additional contributions made above and beyond the annual pension and OPEB costs. Additional disclosures for the pension and OPEB plans can be found in Notes 8 and 9, respectively.
- **Capital Assets, Net of Accumulated Depreciation:** Capital assets, net of accumulated depreciation is shown as noncurrent assets on the statement of net position.

Lease and Concession Agreements: The Authority's operations consist of agreements for use of land, buildings, terminal space and Minimum Annual Guarantees from concessionaires. The agreements consist of (a) one year, cancelable space and use permits, and (b) non-cancelable agreements for land, buildings, terminal space and concessions, most of which expire between the years 2015 and 2020. The Authority accounts for revenue from these agreements under the operating method and reports revenue over the terms of the agreements.

Property and Equipment and Property Held for Lease: Property and equipment and property held for lease are recorded at cost when purchased or at fair value when donated, with a capitalization threshold of \$1,000. The Authority accounts for intangible assets as required under GASB Statement No. 51.

Depreciation: Property and equipment is depreciated on the straight-line basis over the estimated useful lives of the assets. The estimated useful lives of the property and equipment are as follows:

Building	10 to 50 years
Improvements	5 to 50 years
Equipment	3 to 30 years
Motor vehicles	5 to 15 years

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Deferred Outflows of Resources: Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. The significant components of the deferred outflows of resources shown in the statement of net position are as follows:

	<u>9/30/15</u>	<u>9/30/14</u>
GOAA Defined Benefit Pension Plan - Contributions		
Subsequent to September 30, 2013 and 2014; and other		
Differences between assumptions and actual experience	\$ 6,969	\$ 7,565
Florida Retirement System Defined Benefit Plan - Contributions		
Subsequent to June 30, 2014 and 2015; and other		
Differences between assumptions and actual experience	1,064	1,219
Florida Retirement System Health Insurance Subsidy Plan -		
Contributions subsequent to June 30, 2014 and 2015; and other		
Differences between assumptions and actual experiences	199	122
Long Term Debt Deferred Loss	<u>13,024</u>	<u>38,641</u>
Total Deferred Outflows of Resources	<u>\$21,256</u>	<u>\$47,547</u>

Deferred Inflows of Resources: Deferred inflows of resources represents an acquisition of net assets that is applicable to a future reporting period. The significant components of the deferred inflows of resources shown in the statement of net position are as follows:

	<u>9/30/15</u>	<u>9/30/14</u>
GOAA Defined Benefit Pension Plan - Differences		
Between assumptions and actual experience	\$ 7,059	\$ 7,433
Florida Retirement System Defined Benefit Plan -		
Differences between assumptions and actual experience	<u>1,893</u>	<u>4,350</u>
Total Deferred Inflows of Resources	<u>\$ 8,952</u>	<u>\$11,783</u>

Pension Plans: The Authority's policy is to fund accrued defined benefit pension costs which include normal costs for regular employees as actuarially determined. The Authority recognizes plan member contributions in the period in which contributions are due, and the Authority has made a formal commitment to provide contributions.

Other Postemployment Benefit Plans: The Authority obtains actuarial valuation reports for its OPEB plan and records the expenses, assets and liabilities for OPEB as required under Governmental Accounting Standards Board (GASB) Statement No. 45. OPEB expense includes normal costs, a provision for the amortization of the unfunded actuarial accrued liability, an interest adjustment and an annual required contribution adjustment. The unfunded actuarial accrued liability is amortized over a 20 year closed period. The Authority funds its OPEB obligation to a qualifying, irrevocable trust. Information required by GASB 45 is disclosed in Note 9.

Compensated Absences: The Authority recognizes expenses relating to compensated absences as incurred and includes the current portion of the liabilities in accrued expenses and the noncurrent portion in other long-term liabilities.

Passenger Facility Charges: The Federal Aviation Administration (FAA) approved the collection of passenger facility charges (PFCs). The Authority uses PFCs for pre-approved airport projects that meet at least one of the following criteria: preserve or enhance safety, security or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers. The airlines collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Customer Facility Charges: The Authority approved the collection of customer facility charges (CFCs) effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities. The RACs collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

Arbitrage Rebate: The U.S. Treasury issued regulations on calculating the rebate due the federal government on arbitrage profits, calculating arbitrage penalties, and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. The Authority records the rebate payable and reduction in investment income in accordance with the rebate calculation.

Revenue Classifications: The components of the major operating revenue classifications are as follows:

- Airfield Area – Fees for landings of passenger and cargo aircraft, apron use, and fuel flow system rental and fees.
- Terminal Area – Space rentals, privilege fees for the operation of terminal concessions, baggage fees and other miscellaneous airline fees.
- Ground Transportation – Revenue associated with rental car concessions, taxi, shuttle and bus ground transportation, and public parking.
- Other Buildings and Grounds – Fees associated with fixed base operators, cargo apron use, in-flight catering and other building and land rentals.
- Hotel – Revenue associated with rooms, food and beverage, telecommunications, and other rentals and income.

Capital Contributions: Capital contributions consist primarily of grants and contributions from federal and state governmental agencies, airlines, and tenants. The Authority recognizes contributions as earned as related project costs are incurred. The Authority recognizes donated property at fair value when received.

Interest During Construction: The Authority capitalizes interest during construction to Construction in Progress. Capitalized interest consists of interest cost on certain borrowings in excess of interest earned on related investments acquired with the proceeds of borrowings.

Airline Rates By Resolution: Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For the Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the “Resolution”). The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. An airline may also sign a Rate and Revenue Sharing Agreement (“Rate Agreement”), whereby the airline affirmatively agrees to the Resolution and the rate-setting methodology. Airlines that participate are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses. Additional information is disclosed in Note 15.

Advance Rent From Tenants: The current portion of advance rent from tenants primarily represents October revenues received in September. Amounts reported as noncurrent liabilities represent revenues to be recognized in years subsequent to the following fiscal year.

Bond Issue Costs and Bond Discounts and Premiums: The Authority expenses bond issue costs (excluding prepaid bond insurance) at the time of issuance in accordance with generally accepted accounting principles. Bond discounts and premiums are deferred in the year of issuance and amortized using the effective interest method over the life of the issuance. Losses on bond refundings are deferred and amortized over the shorter of the remaining life of the original issue or the life of the new issue.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

Reclassifications: As a result of implementing new accounting standards certain amounts in the prior year financial statements may have been reclassified to conform to the current year presentation.

Implementation of New Accounting Standards: The GASB issued Statement Number 68, *Accounting and Financial Reporting for Pensions (as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date)*, effective for fiscal year ended September 30, 2015. These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals, and expenses. The requirements of GASB No. 68 and 71 require an adjustment to eliminate the net pension asset and recognition of a net pension liability for the defined pension plan. See Note 8 for additional information.

For the authority, this statement includes the prior period adjustment of beginning net position of (\$29,073) to record the Net Pension Liability, pursuant to GASB No. 68, as of October 1, 2013 (in thousands):

	As Originally Shown September 30, 2014	Net Change	As Restated September 30, 2014
Employee postemployment benefit assets	\$ 8,762	\$ (2,584)	\$ 6,178
Deferred outflows of resources	38,641	8,906	47,547
Net pension liability	-	19,014	19,014
Deferred inflow of resource	-	11,783	11,783
Operations and facilities	119,117	(2,482)	116,635
Safety and security	29,126	(1,372)	27,754
Administration	35,595	(744)	34,851
Beginning net position	1,719,433	(29,073)	1,690,360
Net income	90,476	4,598	95,074
Ending net position	\$ 1,809,909		\$ 1,785,434

2. OPERATION AND USE AGREEMENT – CITY OF ORLANDO

The City of Orlando and the Authority signed an Operation and Use Agreement, dated September 27, 1976, which grants the Authority the right to occupy, operate, control and use Orlando International Airport and Orlando Executive Airport for a term of fifty years commencing on October 1, 1976. Effective October 1, 2015, the Authority negotiated a new Operation and Use Agreement and extended the term until September 30, 2065. At the end of the term, unless otherwise extended, the Authority is obligated to return full ownership and control of all its assets to the City of Orlando.

The City of Orlando transferred assets, liabilities and equity to the Authority at the carrying amounts in the accounts of the Aviation Division of the City of Orlando, which reflected historical or estimated historical costs, with accumulated depreciation at September 30, 1976. The property and equipment, net of accumulated depreciation transferred from the Aviation Division of the City of Orlando to the Authority, amounted to approximately \$31.5 million.

The City of Orlando provides certain police and fire protection services to the Authority. Total charges for these services amounted to approximately \$11.1 million and \$11.8 million for 2015 and 2014, respectively. Approximately, \$4 million and \$6.4 million are recorded as liabilities due to the City of Orlando in connection with these services at September 30, 2015 and 2014, respectively.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with commercial banks in interest-bearing and non-interest bearing demand deposit accounts, as well as the Florida State Board of Administration's Local Government Surplus Investment Pool (LGIP). The commercial bank balances are entirely insured by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act of the State of Florida (the Act).

The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Authority's deposits in qualified public depositories are considered totally insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State of Florida's Chief Financial Officer (State's CFO) or, with the approval of the State's CFO, to a bank, savings association, or trust company provided a power of attorney is delivered to the State's CFO.

In accordance with generally accepted accounting principles, the Authority adjusts the carrying value of investments to fair value to be presented as a component of investment income. The fair value of investments is based on available market values. The LGIP operated by the Florida State Board of Administration is a "2a-7-like" pool and is also presented in accordance with generally accepted accounting principles; therefore it is not presented at fair value but at its actual pooled share price which approximates fair value.

At September 30, 2015 and September 30, 2014, the fair value of all securities, regardless of the statement of net position, classification, was as follows (in thousands):

	2015	2014
U.S. Treasury and government agency securities	\$ 346,299	\$ 419,788
Commercial paper	23,978	54,966
Corporate securities	6,789	-
Local government investment pool	689	582
Money market funds	250,992	276,395
Securities total	\$ 628,747	\$ 751,731

These securities are classified on the statement of net position as follows (in thousands):

	2015	2014 (Restated)
Current assets		
Cash and cash equivalents	\$ 189,273	\$ 141,927
Restricted cash and cash equivalents	149,804	122,197
Investments	2,497	71,966
Noncurrent Assets		
Restricted assets		
Cash and cash equivalents	410,959	304,435
Investments	306,975	321,747
Unrestricted assets		
Investments	67,593	81,042
Total cash and investments	1,127,101	1,043,314
Less cash on deposit	(498,354)	(291,583)
Total securities, at fair value	\$ 628,747	\$ 751,731

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS (continued)

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of September 30, 2015 and September 30, 2014, the Authority held the following investments as categorized below in accordance with generally accepted accounting principles:

Investment Maturities at September 30, 2015 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency securities	\$ 120,248	\$ 200,945	\$ 9,810	\$ 15,296	\$ 346,299
Commercial paper	23,978	-	-	-	23,978
Corporate securities	-	6,789	-	-	6,789
Local government investment pool	689	-	-	-	689
Money market funds	250,992	-	-	-	250,992
	<u>\$ 395,907</u>	<u>\$ 207,734</u>	<u>\$ 9,810</u>	<u>\$ 15,296</u>	<u>\$ 628,747</u>

Investment Maturities at September 30, 2014 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency securities	\$ 301,885	\$ 92,898	\$ 10,277	\$ 14,728	\$ 419,788
Commercial paper	54,966	-	-	-	54,966
Local government investment pool	582	-	-	-	582
Money market funds	276,395	-	-	-	276,395
	<u>\$ 633,828</u>	<u>\$ 92,898</u>	<u>\$ 10,277</u>	<u>\$ 14,728</u>	<u>\$ 751,731</u>

The Authority had \$0.7 million and \$0.6 million invested in the State Board of Administration (SBA) LGIP Fund A as of September 30, 2015 and 2014 respectively.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority generally holds investments to maturity. The Authority's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they become due. To the extent possible, investment maturities match known cash needs and anticipated cash flow requirements. Investments under the Bond Resolution shall mature no later than needed, except for 1) investments in the Debt Service Reserve Account which shall mature not later than fifteen years (unless such investment is redeemable at the option of the holder, in which event the maturity shall not exceed the final maturity date of the Bonds secured by such investment), 2) investments in the Operation and Maintenance Fund and Operation and Maintenance Reserve Account shall mature within twelve months, and 3) investments in the Capital Expenditure Fund, the Renewal and Replacement Fund, Improvement and Development Fund, and the Discretionary Fund shall mature within five years. Investments under the Subordinated Bonds Resolution shall mature no later than needed, except for investments in the Reserve Fund which shall mature not later than fifteen years from the date of such investment. Investments under the Secondary Subordinated Bonds Resolution and Surplus Cash shall mature no later than the dates on which such funds are needed. The Authority portfolio holds a number of callable securities. The schedules above present the maturity date of the securities.

Credit Risk: The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. Authority policy limits the purchase of certain investments to specific rating requirements. Investment in commercial paper is limited to AAA and rated A-1, P-1, or F1 for short-term investments by two of the three rating agencies: S&P, Moody's and Fitch (without regard to gradation). Investment in dollar denominated Corporate securities is limited to companies in the United States which are rated A

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS (continued)

or better by two of the three rating agencies (without regard to gradation). Investments held in the portfolio as of September 30, 2015 were rated consistent with the Authority's investment policy and bond resolutions. Funds invested in money market funds and the LGIP Fund A are rated AAAm by S&P.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Authority's investments are either held in the name of the Authority or held in trust under the Authority's name.

Concentration of Credit Risk: Concentration of credit risk is the inability to recover the value of deposit, investment, or collateral securities in the possession of an outside party caused by a lack of diversification. The authority mitigates its concentration of credit risk by diversifying its investment portfolio. At September 30, 2015, the Authority only held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with three issuers; Federal National Mortgage Association (12.48%), Federal Home Loan Bank (5.85%) and Federal Home Loan Mortgage Corporation (5.11%). At September 30, 2014, the Authority only held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with one issuer; Federal Home Loan Bank (29.61%). Standard practice limits the maximum investment in any one issuer of commercial paper to \$5 million dollars.

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

The following amounts were due from other governmental agencies as of September 30, 2015 and 2014 (in thousands):

	2015	2014
Unrestricted		
Florida Department of Transportation (FDOT)	\$ 592	\$ 397
Orlando Orange County Expressway Authority (OOCEA)	233	216
Federal Aviation Administration (FAA)	1,084	28
Total Unrestricted	\$ 1,909	\$ 641
Restricted		
Florida Department of Transportation (FDOT)	\$ 8,948	\$ 9,936
Federal Aviation Administration (FAA)	2,920	3,265
Transportation and Security Administration (TSA)	424	345
Other	15	15
Total Restricted	\$ 12,307	\$ 13,561

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

5. RESTRICTED ASSETS

The Bond Resolution and the Master Indenture of Trust authorizing the issuance of the revenue bonds for Orlando International Airport and the Release of Federal Surplus Property Obligations for Orlando Executive Airport require segregation of certain assets into restricted accounts. At September 30, 2015 and 2014, composition of restricted accounts is as follows (in thousands):

	2015	2014
Debt Service Accounts	\$ 179,700	\$ 176,373
Capital Acquisition Accounts	262,192	164,631
Bond Construction Accounts	88,879	109,591
Passenger Facility Charges Account	232,257	187,216
Customer Facility Charges Account	89,152	98,065
Operating Reserve Account	39,081	37,012
Total Restricted Assets	\$ 891,261	\$ 772,888

Reported in the accompanying financial statements as follows:

	2015	2014
Restricted Cash and Cash Equivalents - Current	\$ 149,804	\$ 122,197
Total Restricted Assets – Non Current	741,457	650,691
Total Restricted Assets	\$ 891,261	\$ 772,888

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS

A summary of capital assets activity for the years ended September 30, 2015 and 2014 is as follows (in thousands):

	Balance October 1, 2014	Additions and Reclas- sifications	Deductions	Balance September 30, 2015
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 271,251	\$ -	\$ -	\$ 271,251
Assets Held for Future Use	78,221	-	-	78,221
	<u>349,472</u>	<u>-</u>	<u>-</u>	<u>349,472</u>
Other Property and Equipment				
Building	274,898	1,163	-	276,061
Improvements	1,840,478	6,333	-	1,846,811
Equipment	237,345	3,610	1,249	239,706
Motor Vehicles	21,543	1,563	2	23,104
	<u>2,374,264</u>	<u>12,669</u>	<u>1,251</u>	<u>2,385,682</u>
Accumulated Depreciation				
Building	147,102	8,445	-	155,547
Improvements	1,052,692	67,534	-	1,120,226
Equipment	116,122	11,577	1,218	126,481
Motor Vehicles	17,381	1,429	2	18,808
	<u>1,333,297</u>	<u>88,985</u>	<u>1,220</u>	<u>1,421,062</u>
Net Property and Equipment	<u>1,390,439</u>	<u>(76,316)</u>	<u>31</u>	<u>1,314,092</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	906,415	-	-	906,415
Improvements	80,146	153	-	80,299
Equipment	8,774	-	-	8,774
	<u>995,335</u>	<u>153</u>	<u>-</u>	<u>995,488</u>
Accumulated Depreciation				
Building	547,779	26,362	-	574,141
Improvements	57,771	3,277	-	61,048
Equipment	5,430	1,254	-	6,684
	<u>610,980</u>	<u>30,893</u>	<u>-</u>	<u>641,873</u>
Net Property and Equipment - Held for Lease	<u>392,486</u>	<u>(30,740)</u>	<u>-</u>	<u>361,746</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	97,298	179,146	7,977	268,467
Net Capital Assets	<u>\$ 1,880,223</u>	<u>\$ 72,090</u>	<u>\$ 8,008</u>	<u>\$ 1,944,305</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS (continued)

	Balance October 1, 2013	Additions and Reclass- ifications	Deductions	Balance September 30, 2014
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 270,608	\$ 751	\$ 108	\$ 271,251
Assets Held for Future Use	78,221	-	-	78,221
	<u>348,829</u>	<u>751</u>	<u>108</u>	<u>349,472</u>
Other Property and Equipment				
Building	273,427	1,471	-	274,898
Improvements	1,750,896	89,584	2	1,840,478
Equipment	235,960	1,916	531	237,345
Motor Vehicles	20,551	1,050	58	21,543
	<u>2,280,434</u>	<u>94,021</u>	<u>591</u>	<u>2,374,264</u>
Accumulated Depreciation				
Building	138,583	8,519	-	147,102
Improvements	985,942	66,751	1	1,052,692
Equipment	105,200	11,450	528	116,122
Motor Vehicles	16,175	1,263	57	17,381
	<u>1,245,900</u>	<u>87,983</u>	<u>586</u>	<u>1,333,297</u>
Net Property and Equipment	<u>1,383,763</u>	<u>6,789</u>	<u>113</u>	<u>1,390,439</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	906,415	-	-	906,415
Improvements	80,146	-	-	80,146
Equipment	8,774	-	-	8,774
	<u>995,335</u>	<u>-</u>	<u>-</u>	<u>995,335</u>
Accumulated Depreciation				
Building	520,841	26,938	-	547,779
Improvements	54,442	3,329	-	57,771
Equipment	4,177	1,253	-	5,430
	<u>579,460</u>	<u>31,520</u>	<u>-</u>	<u>610,980</u>
Net Property and Equipment - Held for Lease	<u>424,006</u>	<u>(31,520)</u>	<u>-</u>	<u>392,486</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	96,464	91,922	91,088	97,298
Net Capital Assets	<u>\$ 1,904,233</u>	<u>\$ 67,191</u>	<u>\$ 91,201</u>	<u>\$ 1,880,223</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS (continued)

During 2015, the Authority capitalized interest in the amount of \$3.3 million to Construction in Progress (CIP), representing the excess of interest cost (\$3.4 million) on certain borrowings during the construction period over the interest earned (\$0.1 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

During 2014, the Authority capitalized interest in the amount of \$3.6 million to CIP, representing the excess of interest cost (\$3.7 million) on certain borrowings during the construction period over the interest earned (\$0.1 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

7. LEASE AND CONCESSION AGREEMENTS

The following is a schedule by years of minimum future revenues from non-cancelable agreements as of September 30 (in thousands):

	2016		\$ 197,203
	2017		91,970
	2018		41,417
	2019		36,928
	2020		27,684
	Later years		118,536
Total minimum future revenues			\$ 513,739

Minimum future revenues do not include contingent revenues which may be received under agreement for use of land and buildings on the basis of revenue or fuel flow fees earned. Contingent revenues amounted to approximately \$35 million and \$31 million for the years ended September 30, 2015 and 2014 respectively.

8. PENSION PLANS

The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters. The Authority authorized all employees hired before October 1, 1999, other than firefighters to participate in the defined benefit time (DB Plan). The Authority authorized employees hired after September 30, 1999 to participate in the Single-Employer Defined Contribution Retirement Plan (DC Plan). The Authority allowed employees who were participants of the DB Plan to convert to the DC Plan during the period February 23, 2001 to June 30, 2001.

Single-Employer Defined Benefit Pension Plan

General: The Authority contributes to the Retirement Plan for Employees of the Greater Orlando Aviation Authority (DB Plan), a single-employer retirement plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries. Comerica, Inc. (Comerica) currently holds the assets of the Plan in various managed accounts. Comerica currently pays the DB Plan benefits. Foster and Foster, Inc. issues a publicly available actuarial report that includes required supplementary information for the DB Plan. That report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4392, Attention: Human Resources.

Plan Description: Each full-time employee became eligible on the date of completion of 12 months of employment. The Authority credits all service from date of hire. Retirement benefits equal 3% of the average of the three years of highest annual earnings multiplied by years of credited service with a maximum of 75% of the average earnings. In the event of early retirement, there is a 3% benefit reduction for each year prior to normal

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

retirement. Normal retirement date is the first day of the month following, or coinciding with, the earliest of a participant's sixty-fifth birthday and seven years of credited service, or twenty-five years of credited service. An employee is 20 % vested after the first year of credited service and achieves 100% vesting after five years of service. A member may elect to retire earlier than the normal retirement eligibility upon attainment of age 55 and 7 years of credited service. Benefit provisions are established and may be amended by the Authority Board. The Plan is administered by a Retirement Benefits Committee appointed by the Authority Board.

Members are eligible for survivor benefits after the completion of 3 or more years of credited service. The beneficiary will receive the member's accrued vested normal retirement benefit taking into account compensation earned and service credited as of the date of death. If the beneficiary is the member's spouse, the benefit is payable as though the member had terminated employment on the date of death, survived to his/her early retirement age, retired and elected the 50% contingent annuity option and then died the next day. If the beneficiary is not the member's spouse, an actuarially equivalent benefit is payable for 5 years beginning within 1 year after the member's death.

Funding Policy: The actuarial valuation used for funding determines the annual contribution requirements of the Authority. The Authority does not require plan members to contribute to the DB Plan.

Current plan membership as of October 1, 2014, is as follows:

Inactive Plan members or Beneficiaries currently receiving benefits	243
Inactive Plan members Entitled to but not yet receiving benefits	115
Active Plan members	<u>160</u>
	<u>518</u>

Net Pension Liability

The total pension liability was measured as of September 30, 2014. The total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2014 using the following actuarial assumptions applied to all measurement periods.

Inflation	3.0 %	
Salary Increases	5.0%	
Investment Rate of Return	7.25%	
Mortality	RP-2000 Combined Healthy Participant Mortality Tables for males and females. The provision for future mortality improvement is being made using Scale AA after 2000.	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	50.0 %	7.50 %
International Equity	15.0	8.50
Domestic Fixed Income	35.0	2.50
Total	<u>100 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the Authority's contribution will be made at the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes to Net Pension Liability

	<u>Increase (Decrease) in thousands</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances at September 30, 2013	\$ 120,243	\$ 104,839	\$ 15,404
Changes for a Year:			
Service Cost	1,675	-	1,675
Interest	8,642	-	8,642
Contribution – Employer	-	7,565	(7,565)
Net Investment Income	-	9,698	(9,698)
Benefits Payments Including Refunds of employee Contributions	(5,436)	(5,436)	-
Administrative Expense	-	(24)	24
Net Changes	<u>4,881</u>	<u>11,803</u>	<u>(6,922)</u>
Balance at September 30, 2014	<u>\$ 125,124</u>	<u>\$ 116,642</u>	<u>\$ 8,482</u>

Sensitivity of net pension liability to changes in the discount rate. The following presents the net pension liability of the Authority, calculated using the discount rate of 7.25%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.25%) or 1 percent higher (8.25%) than the current rate.

	<u>1% Decrease 6.25%</u>	<u>Current Discount Rate 7.25%</u>	<u>1% Increase 8.25%</u>
Authority Net Pension Liability	21,274	8,482	(2,456)

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015 the Authority recognized a pension expense of \$2.3 million. On September 30, 2015 the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contributions	\$ 6,969	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	7,059
Total	\$ 6,969	\$ 7,059

The deferred outflows of resources related to the Pension Plan, totaling \$6,969,000 resulting from the Authority's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows (in thousands):

	Deferred Inflows
Year Ended September 30:	
2016	\$ (2,395)
2017	(2,395)
2018	(1,864)
2019	(405)
Total	\$ (7,059)

Funded Status and Funding Progress: As of October 1, 2014, the most recent actuarial valuation date, the DB Plan was 87.5% funded. The actuarial accrued liability for benefits was \$125.3 million, and the actuarial value of assets was \$109.6 million resulting in an unfunded actuarial accrued liability (UAAL) of \$15.7 million. The covered payroll was \$10.7 million, and the ratio of the UAAL to the covered payroll was 146.9%.

Other required schedules of Changes in Net Pension Liability and Related Ratios, and Schedule of Contributions are presented as required supplementary information immediately following the notes to the financial statements.

Single-Employer Defined Contribution Retirement Plan

Plan Description: The Single-Employer Defined Contribution Retirement Plan (DC Plan) provides benefits upon retirement to employees of the Authority. At September 30, 2015, there were 429 active plan members. The plan provides retirement and death benefits to plan participants and beneficiaries.

General: The DC Plan is administered by a Retirement Benefit Committee appointed by the Authority Board. The Authority can modify, alter or amend the DC Plan.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. Eligible employees include regular full-time employees and regular part-time employees who are normally scheduled to work 20 or more hours per week. The DC Plan allows employees to participate after three full months of service. The DC Plan has separate accounts for each employee, and investments are self-directed by the employee. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan allows the employee's first 4% contribution to be pre-tax or after-tax. Employee contributions and earnings are 100% vested. The Authority's contributions vest at 20% per year of service, starting at one year of service. Employees hired prior to October 1, 1999, continued in the Authority's DB Plan, or converted at their option from the DB Plan to the DC Plan during the period of February 23, 2001 to June 30, 2001.

The Authority's payroll for employee covered by the DC Plan was \$21.1 million and \$18.9 million for the years ended September 30, 2015 and 2014 respectively. The Authority contributed \$2.0 million and \$1.8 million for the years ended September 30, 2015 and 2014 respectively. Participants contributed \$0.9 million and \$0.8 million for the years ended September 30, 2015 and 2014 respectively.

Multiple-Employer Pension Plans

Plan Description: All firefighters employed by the Authority participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer defined benefit public retirement plan. The FRS provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan participants and beneficiaries. Florida Statutes establish benefit provisions. The FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Retirement System, Division of Retirement, Post Office Box 9000, Tallahassee, Florida 32315-9000, or by calling (877) 377-1737.

Participation in the FRS is compulsory for all full-time and part-time firefighters employed by the Authority. The FRS categorizes participants as members of a special risk class. A member receives one month credit for each month in which any salary is paid for services performed. The FRS authorizes members who meet certain requirements to purchase additional service credits to increase their retirement benefit. The FRS provides vesting of benefits after six years of creditable service (or eight years if enrolled on or after July 1, 2011). Special risk members enrolled in the FRS before July 1, 2011 meet eligibility for normal retirement after: (a) six years of special risk creditable service and attaining age fifty-five, (b) a combined total of twenty-five years of special risk creditable service and military service and attaining age fifty-two, (c) twenty-five years of special risk creditable service, or (d) thirty years of any creditable service, regardless of age. Special risk members enrolled in the FRS on or after July 1, 2011 meet eligibility for normal retirement after: (a) eight years of special risk creditable service and attaining age sixty, (b) a combined total of thirty years of special risk creditable service and military service and attaining age fifty-seven, (c) thirty years of special risk creditable service, or (d) thirty-three years of any creditable service, regardless of age. The FRS allows early retirement any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. Options at retirement include benefits for life or reduced benefits with beneficiary rights.

As a participant in FRS, the Authority is also a participant in the Retiree Health Insurance Subsidy (HIS) Program, which is a cost-sharing, multiple employer defined benefit plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by 5%. The minimum payment is \$40 and the maximum is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Funding Policy: Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Deferred Retirement Option Program (DROP) participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan.

The Authority's required contribution rates were as follows:

	Special Risk	DROP
July 1, 2015 – September 30, 2015	22.04	12.88
July 1, 2014 – June 30, 2015	19.82	12.28
July 1, 2013 – June 30, 2014	19.06	12.84
July 1, 2012 – June 30, 2013	14.90	5.44

The Authority's contributions to the FRS for each of the years ended September 30, 2015, 2014 and 2013 were approximately \$1.0 million, \$0.9 million and \$0.7 million, respectively, which represents the required contributions for each year.

At September 30, 2015 the Authority reported a liability of \$4.5 million and \$1.7 million for its proportionate share of the net pension liability for the FRS Pension Plan and HIS Program respectively. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The Authority's proportion of the net pension liability was based on the historical contributions made by the Authority. At June 30, 2015 the Authority's proportion was 0.035205541 percent and 0.016900316 percent for the FRS Pension Plan and HIS Program respectively, which was an increase of 0.001084299 and 0.00055205 respectfully from its proportionate share as of June 30, 2014.

For the year ended September 30, 2015 the Authority recognized pension expense of \$1.1 million related to the FRS and HIS plans.

Actuarial Assumptions:

Actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumption Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of July 1, 2015, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.60%. Payroll growth for both plans is assumed at 3.25%. Both the discount rate and the long term expected rate of return used for FRS Pension Plan investments is 7.65%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS program uses a pay-as-you-go funding structure, a municipal bond rate of 4.29% was used to determine the total pension liability for the program. Mortality assumptions for both plans were used on the Generational RP-2000 with Projection Scale BB tables.

The following changes in actuarial assumptions occurred in 2015:

- HIS – The municipal rate used to determine total pension liability decreased from 4.29% to 3.80%.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Sensitivity Analysis

The following represents the sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact of the authority's proportionate share of the net pension liability if the discount rate was 1.00% higher of 1.00% lower than the current discount rate at June 30, 2014.

FRS Net Pension Liability (in thousands)

1% Decrease	Current Discount Rate	1% Increase
6.65 %	7.65%	8.65 %
\$11,783	\$4,547	\$(1,474)

HIS Net Pension Liability (in thousands)

1% Decrease	Current Discount Rate	1% Increase
2.80 %	3.80%	4.80 %
\$1,964	\$1,724	\$1,523

Pension Expense and Deferred Outflows/(Inflows) of Resources

In accordance with GASB, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes of assumption or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employee).
- Differences between expected and actual earnings on pension plan investments – amortized over five years.

Contributions to the pension plans from the Authority are not included in collective pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2014 was 6.3 years for FRS and 7.2 years for HIS. On September 30, 2015 the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (in thousands):

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Florida Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contributions	\$ 224	\$ -
Changes in Assumptions	360	-
Changes in Experience	480	108
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	1,178
Change in Proportionate Share of Liability	-	607
Balance as of September 30, 2015	\$ 1,064	\$ 1,893

Health Insurance Subsidy

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contribution	\$ 17	\$ -
Changes in Assumptions	135	-
Net Gain/Loss on Investments	1	-
Change in Proportionate Share of Liability	46	-
Balance as of September 30, 2015	\$ 199	\$ -

Deferred outflows of resources of \$0.2 million related to employer contributions paid subsequent to the measurement date and prior to the Authority's fiscal year end for the FRS Pension Plan and HIS Program, will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Reporting Period Ending September 30	FRS Expense (in thousands)	HIS Expense (in thousands)
2016	\$ (298)	\$ 30
2017	(298)	30
2018	(298)	30
2019	(298)	30
2020	95	30
Thereafter	44	32
Totals	\$ (1,053)	\$ 182

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

The required schedules of Proportionate Share of Net Pension Liability, Schedule of Contributions and Components of Pension Expense as required supplementary information are presented immediately following the notes to the financial statements.

The Authority is using a measurement date of June 30, 2015 to estimate its net pension liability, pension expense, related deferrals and proportionate share based on an actuarial valuation as of July 1, 2015 combined with information provided in the fiscal year 2015 Comprehensive Annual Financial Statement of the Florida Retirement System Pension Plan. As the date of this report, the Schedules of Employer Allocations and Pension Amounts by Employer for the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program have not been provided by the Florida Division of Retirement. The Authority believes its method of estimating its proportionate share of the net pension liability, pension expense, and related deferrals will not be materially different from those calculated by the Florida Retirement System.

Multi-Employer Defined Contribution Retirement Plan

Effective July 2002, the FRS offered its members the Florida Retirement System Investment Plan (Investment Plan) as a second retirement plan option. The Investment Plan is a defined contribution plan funded by employer contributions established by law. The employers' contributions are based on salary and FRS membership class. Effective July 1, 2011, all FRS employees, with the exception of DROP participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan. Employees that do not elect this plan automatically enroll in the defined benefit plan. Employees vest after one year of service. Participants of the FRS have one lifetime option of transferring the value of their plan to the Investment Plan. As of September 30, 2015 and 2014, the Authority had one and two participants in this plan, respectively.

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description: The Greater Orlando Aviation Authority Healthcare Plan (GOAAHP) is a single-employer healthcare plan administered by the Authority. The GOAAHP provides postemployment healthcare benefits to those participants who, in accordance with Article 4 of the Retirement Plan for Employees of the Greater Orlando Aviation Authority and Article 5 of the Greater Orlando Aviation Authority Defined Contribution Retirement Plan, retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination. CBIZ Benefits and Insurance Services issues a publicly available actuarial report that includes required supplementary information for GOAAHP. The report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827, Attention: Human Resources. As of September 30, 2015, the GOAAHP provided benefits to 283 participants.

Funding Policy and Annual Cost: The Authority establishes and amends benefit provisions and contribution obligations. The Authority provides medical, dental, and vision coverage at no cost to employees who retired prior to August 2, 1997.

For employees that retire after August 2, 1997 and employees hired prior to October 1, 2006, eligibility for retirement healthcare benefits will be determined by the years of credited service, and whether the employee immediately begins to receive pension benefits. Employees who do not elect to receive pension benefits immediately upon termination of employment forfeit eligibility for any healthcare coverage under this policy. The

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Authority's premium contribution for employees retiring after August 2, 1997 and for employees hired prior to October 1, 2006 is as follows:

<u>Credited Service</u>	<u>Contribution</u>
20 or more years	100%
15 but less than 20 years	75%
10 but less than 15 years	50%
Less than 10 years	0%

The premiums for employees hired on or after October 1, 2006, will be paid by the employee at 100%. Dependent coverage is available at the retiree's expense provided the retiree is eligible to receive health benefits under this policy.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its OPEB obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer, an amount actuarially determined in accordance with GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions*, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a closed twenty year period. The current rate is 4.8% of annual covered payroll. For the years ended September 30, 2015 and 2014, the Authority's actuarially determined annual OPEB costs (expenses) were \$1.9 million and \$2.2 million, respectively.

The following table shows the components of the Authority's annual OPEB cost for the years ended September 30, 2015 and 2014, the annual required contribution, and changes in the Authority's net OPEB asset to GOAAHP (in thousands):

	<u>2015</u>	<u>2014</u>
Annual required contribution	\$ 1,773	\$ 2,073
Interest on net OPEB asset	(402)	(291)
Adjustment to annual required contribution	561	407
Annual OPEB cost	<u>1,932</u>	<u>2,189</u>
Trust contributions made	<u>(3,024)</u>	<u>(3,890)</u>
Increase in net OPEB asset	(1,092)	(1,701)
Net OPEB asset - beginning of year	<u>(6,178)</u>	<u>(4,477)</u>
Net OPEB asset - end of year	<u><u>\$ (7,270)</u></u>	<u><u>\$ (6,178)</u></u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the GOAAHP, and the net OPEB asset for the fiscal years ended September 30, 2015, 2014 and 2013 is as follows (in thousands):

<u>Fiscal Years Ended September 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB (Asset)</u>
2015	\$ 1,932	156.5 %	\$ (7,270)
2014	2,189	177.7	(6,178)
2013	2,913	193.6	(4,477)

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Funded Status and Funding Progress: The funded status of the plan as of October 1, 2015, the most recent actuarial valuation date, is as follows (in thousands):

Actuarial Accrued Liability (a)	\$	54,964
Actuarial Value of Plan Assets (b)		48,628
Unfunded Actuarial Accrued Liability (a) – (b)	\$	6,336
Funded Ratio (b) / (a)		88.5%
Covered Payroll (c) *	\$	36,934
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(a) – (b)] / (c)		17.2%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the GOAAHP and the annual contribution of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

* Covered Payroll is the 2014-2015 actual regular salaries for active employees covered under the GOAAHP.

Actuarial Methods and Assumptions: Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the GOAAHP participants to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Valuation Date	October 1, 2015
Actuarial Cost Method	Projected Unit Cost
Amortization Method	Level Dollar amounts
Amortization Period\ (closed)	20 years
Asset Valuation Method	Fair Value
Investment Rate of Return	6.5%
Inflation Rate	3.0%

Healthcare Cost Trend Rate:

Year	Medical/Rx	Dental	Vision
2016	7.5%	5.0%	5.0%
2017	6.5	5.0	5.0
2018	6.0	5.0	5.0
2019	5.5	5.0	5.0
2020+	5.0	5.0	5.0

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

The interest rate of 6.5% is consistent with prior valuations. Since the plan is funded, this assumption represents the expected return on assets in the trust, as permitted under GASB.

The required schedule of funding progress presented as required supplementary information immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

10. RISK MANAGEMENT

The Authority developed risk mitigation strategies for loss prevention to address exposure to various risks. One of those risk mitigation strategies is the purchase of commercial insurance for losses related to torts and other liabilities, theft of, damage to and destruction of assets, and natural disasters. The supplemental section of the Comprehensive Annual Financial Report of the Authority discusses specific details regarding insurance coverage and deductibles.

Effective October 1, 2000, the Authority became self-insured for workers compensation and employer's liability insurance up to \$150,000 per occurrence. The Authority purchases excess coverage for workers compensation and employer's liability claims to provide stop loss coverage for claims in excess of \$150,000 per occurrence with limits that are consistent with statutory requirements. Johns Eastern Company, Inc. provides claims administration and associated reporting. The Authority records workers compensation liabilities when it is probable that a loss occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for the claims that have been incurred but not reported (IBNR). The Authority includes liabilities for unpaid claims at year-end in accrued expenses as current liabilities.

The Authority has a third party actuary perform a review of claim history for all claim years in which open claims are outstanding. The actuary projects the ultimate claim payment obligation (including IBNR) for each year's claim experience. The Authority recorded this estimate as a liability.

Changes in the Authority's workers compensation claims liability are as follows as of September 30, 2015 and 2014 (in thousands):

	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 740	\$ 717
Incurred claims and claims adjustment expenses:		
Provisions for insured events of the current fiscal year	102	283
Increase (Decrease) in provision for insured events of prior years	<u>462</u>	<u>(45)</u>
Total incurred claims and claims adjustment expenses	<u>564</u>	<u>238</u>
Payments:		
Claims and claims adjustment expenses attributable to insured events of current year	(28)	(81)
Claims and claims adjustment expenses attributable to insured events of prior year	<u>(384)</u>	<u>(134)</u>
Total payments	<u>(412)</u>	<u>(215)</u>
Ending Balance	<u>\$ 892</u>	<u>\$ 740</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

10. RISK MANAGEMENT (continued)

This liability is reported in the accompanying financial statements as accounts payable and accrued liabilities payable from restricted assets.

	<u>2015</u>	<u>2014</u>
Orlando International Airport	\$ 811	\$ 672
Orlando Executive Airport	<u>81</u>	<u>68</u>
Total	<u>\$ 892</u>	<u>\$ 740</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES

A summary of noncurrent liability activity for the years ended September 30, 2015 and 2014 is as follows (in thousands):

	Restated Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1998	\$ 4,110	\$ -	\$ 1,570	\$ 2,540	\$ 1,215	\$ 1,325
Series 2007A	121,645	-	10,650	110,995	11,180	99,815
Series 2008A	135,490	-	27,950	107,540	29,880	77,660
Series 2009A	98,550	-	-	98,550	7,730	90,820
Series 2009B Taxable	11,275	-	9,280	1,995	1,995	-
Series 2009C	81,350	-	1,640	79,710	1,725	77,985
Series 2010A	79,705	-	1,095	78,610	1,140	77,470
Series 2010B	30,025	-	2,400	27,625	2,490	25,135
Series 2011A	5,715	-	200	5,515	205	5,310
Series 2011B	70,040	-	-	70,040	-	70,040
Series 2011C	39,125	-	1,340	37,785	1,375	36,410
Series 2011D Taxable	66,710	-	850	65,860	870	64,990
Series 2012A	37,065	-	-	37,065	-	37,065
Series 2013A	46,915	-	-	46,915	2,655	44,260
Series 2013B	35,895	-	5,650	30,245	5,730	24,515
Subordinated Indebtedness						
Series 1998C Gulf Breeze	5,750	-	2,805	2,945	2,945	-
Secondary Subordinated						
Indebtedness Series 1997B	90,055	-	90,055	-	-	-
Special Purpose Facilities Bonds						
Series 2009CFC Taxable	33,730	-	7,890	25,840	8,220	17,620
Total Revenue Bonds	993,150	-	163,375	829,775	79,355	750,420
Add unamortized premiums and (discounts)	7,748	-	(2,141)	9,889	-	9,889
Add interest rate swap-fair value	20,744	-	20,744	-	-	-
Net Revenue Bonds	1,021,642	-	181,978	839,664	79,355	760,309
Net Pension Liability						
Net Pension Liability (2)	19,014	2,664	6,925	14,753	-	14,753
Total Net Pension Liability	19,014	2,664	6,925	14,753	-	14,753
Line of Credit						
Line of Credit	29,700	150,995	-	180,695	-	180,695
Total Line of Credit	29,700	150,995	-	180,695	-	180,695
Other Liabilities						
Advanced rent from tenants (1)	1,762	-	204	1,558	194	1,364
Compensated Absences (1)	4,738	3,382	3,314	4,806	3,129	1,677
Pollution Remediation Liability (1)	2,692	1,395	1,577	2,510	716	1,794
FDOT – Grant Advance	-	30,000	9,389	20,611	-	20,611
Total Other Liabilities	9,192	34,777	14,484	29,485	4,039	25,446
Total Noncurrent Liabilities	\$ 1,079,548	\$ 188,436	\$ 203,387	\$ 1,064,597	\$ 83,394	\$ 981,203

(1) Advance rent from tenants due within one year is included with other current advanced rents from tenants on the statement of net position; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the net position.

(2) Effective for fiscal year 2015, the Authority implemented GASB Statement No. 68 which required restatement of the fiscal year 2014 financial statements for the addition of the net pension liability. For additional information see Note 1 to the financial statements.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

	Restated Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1998	\$ 5,835	\$ -	\$ 1,725	\$ 4,110	\$ 1,570	\$ 2,540
Series 2003A	14,160	-	14,160	-	-	-
Series 2007A	131,810	-	10,165	121,645	10,650	110,995
Series 2008A	152,210	-	16,720	135,490	27,950	107,540
Series 2008C	42,668	-	42,668	-	-	-
Series 2009A	98,550	-	-	98,550	-	98,550
Series 2009B Taxable	11,275	-	-	11,275	9,280	1,995
Series 2009C	82,930	-	1,580	81,350	1,640	79,710
Series 2010A	79,705	-	-	79,705	1,095	78,610
Series 2010B	50,265	-	20,240	30,025	2,400	27,625
Series 2011A	5,905	-	190	5,715	200	5,515
Series 2011B	70,040	-	-	70,040	-	70,040
Series 2011C	40,425	-	1,300	39,125	1,340	37,785
Series 2011D Taxable	67,555	-	845	66,710	850	65,860
Series 2012A	37,065	-	-	37,065	-	37,065
Series 2013A	46,915	-	-	46,915	-	46,915
Series 2013B	35,895	-	-	35,895	5,650	30,245
Subordinated Indebtedness						
Series 1998C Gulf Breeze	8,415	-	2,665	5,750	2,805	2,945
Secondary Subordinated						
Indebtedness Series 1997B	90,055	-	-	90,055	-	90,055
Special Purpose Facilities Bonds						
Series 2009CFC Taxable	41,345	-	7,615	33,730	7,890	25,840
Total Revenue Bonds	1,113,023	-	119,873	993,150	73,320	919,830
Add unamortized premiums and (discounts)	9,995	-	2,247	7,748	-	7,748
Add interest rate swap-fair value	19,188	1,556	-	20,744	-	20,744
Net Revenue Bonds	1,142,206	1,556	122,120	1,021,642	73,320	948,322
Net Pension Liability						
Net Pension Liability (2)	33,388	4,913	19,287	19,014	-	19,014
Total Net Pension Liability	33,388	4,913	19,287	19,014	-	19,014
Line of Credit						
Line of Credit	5,000	28,700	4,000	29,700	-	29,700
Total Line of Credit	5,000	28,700	4,000	29,700	-	29,700
Other Liabilities						
Advanced rent from tenants (1)	1,946	10	194	1,762	204	1,558
Compensated Absences (1)	4,499	3,257	3,018	4,738	3,022	1,716
Pollution Remediation Liability (1)	2,856	392	556	2,692	808	1,884
Total Other Liabilities	9,301	3,659	3,768	9,192	4,034	5,158
Total Noncurrent Liabilities	\$ 1,189,895	\$ 38,828	\$ 149,175	\$ 1,079,548	\$ 77,354	\$ 1,002,194

(1) Advance rent from tenants due within one year is included with other current advanced rents from tenants on the statement of net position; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the net position.

(2) Effective for fiscal year 2015, the Authority implemented GASB Statement No. 68 which required restatement of the fiscal year 2014 financial statements for the addition of the net pension liability. For additional information see Note 1 to the financial statements.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

A schedule of debt maturities is as follows (in thousands):

	Fiscal Year	Principal	Interest	Total
Revenue Bonds				
	2016	\$ 79,355	\$ 37,220	\$ 116,575
	2017	80,795	33,570	114,365
	2018	84,380	29,684	114,064
	2019	79,015	25,705	104,720
	2020	65,785	22,397	88,182
	2021-2025	231,265	70,728	301,993
	2026-2030	114,095	37,089	151,184
	2031-2035	50,270	16,916	67,186
	2036-2040	44,815	5,821	50,636
Total Revenue Bonds		829,775	<u>\$ 279,130</u>	<u>\$ 1,108,905</u>
Add unamortized premiums and discounts		9,889		
Add interest rate swap-fair value		-		
Net Revenue Bonds		<u>\$ 839,664</u>		
Line of Credit				
	2016*	43,200		
	2018	<u>137,495</u>		
Total Line of Credit		<u>\$ 180,695</u>		

- The line of credit due in fiscal year 2016 was excluded from current liabilities, as this debt was refinanced with long term debt subsequent to year end. See Note 19 for additional information.

A description of the bonds and notes payable is as follows:

Airport Facilities Revenue Bonds

The Authority has pledged future airport revenues, net of specified operating expenses, to repay \$803.9 million in Airport Facilities Revenue Bonds issued from 1998 to 2013. Proceeds from the bonds provided financing for various airport capital projects and refundings for previously issued debt. The bonds are payable solely from the airport system revenues and are payable through the year 2040. The Authority has agreed to maintain rates and charges each year to provide net revenues, as defined in the applicable bond agreements, equal to at least 1.25 times the sum of the aggregate debt service on senior lien bonds each fiscal year and at least 1.00 times on all other debt. Total principal and interest remaining on the bonds as of September 30, 2015 is \$1.1 billion with annual requirements ranging from \$107.2 million in 2015 to \$10.1 million in the final year, with the highest requirement of \$107.2 million in fiscal year 2016. For the twelve month period ended September 30, 2015, principal and interest requirements were \$112.1 million and total airport net revenues pledged for the year were \$227.0 million.

Senior Lien Bonds:

\$46,640,000 Airport Facilities Refunding Revenue Bonds, Series 1998, dated August 15, 1998 of which a portion is due October 1 of each year beginning 1999 through 2013; and \$4,110,000 in Term Bonds due October 1, 2017. Interest at 5.50% due semi-annually on April 1 and October 1; unamortized premium of \$7,500 and \$18,000.

\$141,485,000 Airport Facilities Refunding Revenue Bonds, Series 2007A, dated August 9, 2007, of which a portion is due October 1 of each year beginning in 2012 through 2023. Interest at 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$1,546,000 and \$1,940,000.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

\$248,070,000 Airport Facilities Refunding Revenue Bonds, Series 2008A, dated March 31, 2008, of which a portion is due October 1 of each year beginning in 2009 through 2018. Interest at 5.25% due semi-annually on April 1 and October 1; unamortized premium of \$938,000 and \$1,564,000.

\$98,550,000 Airport Facilities Refunding Revenue Bonds, Series 2009A, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2015 through 2021; \$14,420,000 in Term Bonds due October 1, 2022; and \$5,000,000 in Term Bonds due October 1, 2023. Interest at 5.38% to 6.25% due semi-annually on April 1 and October 1; unamortized premium of \$439,000 and \$548,000.

\$11,275,000 Airport Facilities Taxable Refunding Revenue Bonds, Series 2009B, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2014 through 2015. Interest at 5.13% due semi-annually on April 1 and October 1.

\$87,110,000 Airport Facilities Revenue Bonds, Series 2009C, dated December 17, 2009 of which a portion is due October 1 of each year beginning in 2010 through 2029; \$19,095,000 in Term Bonds due October 1, 2034; and \$24,385,000 in Term Bonds due October 1, 2039. Interest at 4.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$132,000 and \$141,000.

\$79,705,000 Airport Facilities Revenue Bonds, Series 2010A, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2014 through 2025; \$25,515,000 in Term Bonds due October 1, 2032; and \$27,305,000 in Term Bonds due October 1, 2039. Interest at 3.60% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$863,000 and \$924,000.

\$84,105,000 Airport Facilities Refunding Revenue Bonds, Series 2010B, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2011 through 2018. Interest at 4.25% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$622,000 and \$927,000.

\$6,355,000 Airport Facilities Refunding Revenue Bonds, Series 2011A, dated March 17, 2011, of which a portion is due October 1 of each year beginning in 2011 through 2028. Interest at 4.65% due semi-annually on April 1 and October 1.

\$70,040,000 Airport Facilities Refunding Revenue Bonds, Series 2011B, dated September 20, 2011, of which a portion is due October 1 of each year beginning in 2019 through 2028. Interest at 3.25% to 5.00% percent due semi-annually on April 1 and October 1; unamortized discount of \$74,200 and \$81,000.

\$40,425,000 Airport Facilities Refunding Revenue Bonds, Series 2011C, dated October 12, 2011, of which a portion is due October 1 of each year beginning in 2013 through 2032; \$15,545,000 in Term Bonds due October 1, 2032. Interest at 3.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$2,382,000 and \$2,620,000.

\$67,945,000 Airport Facilities Taxable Refunding Revenue Bonds, Series 2011D, dated October 12, 2011, of which a portion is due October 1 of each year beginning in 2012 through 2024. Interest at 2.10% to 4.33% due semi-annually on April 1 and October 1.

\$37,065,000 Airport Facilities Refunding Revenue Bonds, Series 2012A, dated July 3, 2012, of which a portion is due October 1 of each year beginning in 2021 through 2032. Interest at 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$3,035,000 and \$3,416,000.

\$46,915,000 Airport Facilities Revenue Bonds, Series 2013A, dated September 19, 2013, of which a portion is due October 1 of each year beginning in 2015 through 2028; \$46,915,000 in Term Bonds due October 1, 2028. Interest at 3.50% due semi-annually on April 1 and October 1.

\$35,895,000 Airport Facilities Refunding Revenue Bonds, Series 2013B, dated September 4, 2013, of which a portion is due October 1 of each year beginning in 2014 through 2018. Interest at 1.00% to 2.27% due semi-

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

annually on April 1 and October 1. These bonds, along with Authority funds, refunded \$37,965,000 of the outstanding Airport Facilities Refunding Revenue Bonds, Series 2003A.

Subordinated Indebtedness:

\$19,290,000 Airport Facilities Subordinated Revenue Bonds, Series 1998C, dated June 1998, principal payable December 1 of each year beginning 2008 through 2015. Interest at 5.05% due semi-annually on June 1 and December 1.

Line of Credit:

In December 2009, the Authority entered into an agreement with Wachovia Bank, N.A. (now Wells Fargo) to provide the Authority with a \$100 million line of credit. The Wells Fargo Line of Credit has a scheduled expiration date of December 1, 2012. In July 2012, the Authority and Wells Fargo agreed to extend the line of credit to February 28, 2015. Effective July 2014, the line of credit was increase to \$250 million; subsequently the Authority and Wells Fargo agreed to extend the line of credit to August 31, 2015. In July 2015, the Authority entered into a new three year agreement with Wells Fargo to provide the Authority with a \$250 million subordinated line of credit with an expiration date of June 29, 2018. The 2009 agreement with Wells Fargo was simultaneously terminated. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. As of September 30, 2015, the Authority has drawn \$137,495,000 on this line of credit. As of September 30, 2014, the Authority had drawn \$13,500,000 on this line of credit.

In May 2013, the Authority entered into a three year agreement with Bank of America, N.A. to provide the Authority with a \$150 million line of credit. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. The term of the line of credit expires April 1, 2016. Effective July 2014, the line of credit was increased to \$200 million. As of September 30, 2015, the Authority has drawn \$43,200,000 on this line of credit. As of September 30, 2014, the Authority had drawn \$16,200,000 on this line of credit.

Secondary Subordinated Indebtedness:

\$90,055,000 Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997, (Series 1997B) dated December 1997, principal payable October 1 of each year beginning 2023 through 2027. On August 24, 2015 the Authority paid off the bonds with a line of credit. The swap associated with the 1997B Gulf Breeze Bonds was terminated effective August 24, 2015.

Special Purpose Facilities Bonds:

\$62,800,000 Special Purpose Airport Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009, dated October 7, 2009, of which a portion is due October 1 of each year beginning in 2010 through 2017. Interest at 4.51% to 5.47% due semi-annually on April 1 and October 1.

The Authority has pledged future customer facility charges revenue to repay \$25.8 million in Special Purpose Facilities Revenue Bonds issued on 2009. Proceeds from the bonds provided financing for designing, construction and relocation of automobile rental facilities. The bonds are payable solely from the Customer Facility Changes and are payable through the year 2017. Total principal and interest remaining on the bond as of September 30, 2015 is \$27.9 million with annual requirements ranging from \$9.3 million in 2015 to \$9.3 million in the final year, with the highest requirement of \$9.3 million in fiscal year 2016. For the twelve month period ended September 30, 2015, principal and interest requirements were \$9.3 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

FDOT Grant Advance:

On November 5, 2014 the Authority entered into a joint participation agreement with the State of Florida Department of Transportation (the Department) to provide funding for the South Airport Automated People Mover and Intermodal Terminal Facility Project. Pursuant to the agreement the Department advanced \$30 million for approximately three months cash flow needs. As of September 30, 2015 the balance of the advance was \$20.6 million, this amount is shown in the accompanying financial statements as Other Long Term Liabilities.

12. DERIVATIVES AND HEDGING ACTIVITIES

Objective of the swap: The Authority entered into a pay-fixed, receive-variable interest rate swap associated with the Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997B (the 1997B Gulf Breeze Swap) to reduce the impact of fluctuations in interest rates on the variable rate debt.

In August 2015, the Authority paid off the Secondary Subordinated Revenue Bond Series 1997B, with a line of credit. The 1997B Gulf Breeze Swap associated with the debt was terminated on August 12, 2015. Notably, the City of Gulf Breeze had also previously entered into a swap agreement related to the debt and the two swaps were terminated simultaneously. The net amount paid by the Authority to terminate the 1997B Gulf Breeze Swap was \$296,000.

Fair value and classification: Because interest rates had declined, the 1997B Gulf Breeze Swap had a negative fair value as of September 30, 2014. The fair value was obtained from the swap counterparty, Goldman Sachs Mitsui Marine Derivative Products, L.P. (GSMMDP). In accordance with GASB Statement No. 53, *Accounting and Reporting for Derivative Instruments*, the fair value was reflected as a liability in the revenue bonds payable, long-term section on the Statement of Net Position with a corresponding outflow in deferrals. The fair value of the deferred outflows in connection with the swap was \$20.7 million for the years ended September 30, 2014.

Terms and risks: The notional amount of the 1997B Gulf Breeze Swap matched the principal amount of the associated debt. The Authority's swap agreement contained scheduled reductions to outstanding notional amounts that approximate scheduled or anticipated reductions in the outstanding principal amounts from debt repayments. The terms, fair value and risks of the outstanding swap as of September 30, 2014 was as follows (in thousands):

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Sept. 30, 2014 Fair Values	Swap Termination Date	Counterparty Credit Rating
1997B	\$ 90,055	Jan. 1, 2003	4.45 %	SIFMA*	\$ (20,744)	Oct. 1, 2027	AAA/Aa2

*The Securities Industry and Financial Market Association Municipal Swap Index

Credit Risk: Credit Risk is risk that the counterparty becomes insolvent or is otherwise not able to perform its financial obligations. At September 30, 2015, there is no credit risk as the 1997B Gulf Breeze Swap was terminated on August 12, 2015.

Termination Risk: Termination Risk is risk that the swap agreement will be terminated and the Authority would be required to make a termination payment to the counterparty. At September 30, 2015, there is no termination risk as the swap was terminated on August 12, 2015.

Basis Risk: Under the 1997B Gulf Breeze Swap, GSMMDP has the right to convert the SIFMA Index based rate to a rate based upon percentage of London Interbank Offered Rate ("LIBOR") upon the occurrence of certain taxability

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

12. DERIVATIVES AND HEDGING ACTIVITIES (continued)

events. Such a conversion could result in the Authority having to pay the difference between the LIBOR-based rate and the tax-exempt variable rate. This election b GSMDP did not occur and is no longer a risk as the swap was terminated.

Market-access Risk: The risk that the Authority will not be able to enter the credit markets at a future date. The 1997B Gulf Breeze Swap exposed the Authority to market-access risk for issues where access to the markets is limited or where that credit access will become more costly, however, at the time of termination, the Authority was able to access the markets during favorable conditions.

13. CONDUIT DEBT OBLIGATIONS

As of September 30, 2015 and 2014, the Authority has outstanding the following series of conduit debt obligations (in thousands):

	2015	2014
Special Purpose Facilities Revenue Bonds issued to provide for the construction of a flight training facility and the acquisition of flight training equipment; payable solely from a pledge of loan payments to be received from a loan agreement and a pledge of lease payments to be received from a lease agreement and an Unconditional Guaranty Agreement. The Bonds are scheduled to mature October 1, 2023 (\$11,905) and October 1, 2035 (\$6,380).	\$ 18,285	\$ 18,285
Special Purpose Facilities Revenue Bonds issued to provide for the acquisition, construction and equipping of a corporate training facility and an aircraft maintenance hangar facility; payable solely from a pledge of lease payments to be received from the lease agreement and secured by the Leasehold Mortgage. The Bonds are scheduled to mature November 15, 2026 (\$12,665) and November 15, 2036 (\$29,655).	42,320	42,320

These bonds are special limited obligations of the Authority, payable as described above. The bonds do not constitute a debt, liability or obligation of the Authority, the City of Orlando, or the State of Florida or any political subdivisions thereof and accordingly have not been reported in the accompanying financial statements.

14. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Position. Capital contributions consisted of the following at September 30, 2015 and 2014 (in thousands):

	2015	2014
Federal Grants	\$ 5,738	\$ 13,998
State of Florida Grants/Other Grants	29,592	17,997
Total Capital Contributions	\$ 35,330	\$ 31,995

15. AIRLINE RATES BY RESOLUTION

Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For the Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the "Resolution"). During the month of October, 2013, the

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

15. AIRLINE RATES BY RESOLUTION (continued)

Authority continued to operate under the 2008 Airline-Airport Lease and Use Agreement (ALUA), which was originally scheduled to expire on September 30, 2013. Airlines serving the Airport in October 2013 did so as holdover tenants under the ALUA and other lease agreements.

The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. Any airline may commit to use certain terminal space on an exclusive or preferential basis and, as a result, pay a fixed monthly charge for such space. Otherwise, airlines pay for terminal space assigned by the Authority on a per use basis.

Effective November 1, 2013, airlines had the option to sign a Rate and Revenue Sharing Agreement (“Rate Agreement”), whereby the airline affirmatively agreed to the Resolution and the rate-setting methodology therein, and further agreed not to challenge the rates and charges calculated under the Resolution’s rate-setting methodology through any judicial or regulatory process throughout the term of the agreement which expires on September 30, 2016. Airlines that sign, and comply with the terms of, a Rate Agreement with the Authority are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses, including fund deposit requirements (“Net Remaining Revenue”). The Authority received the first \$45 million of Net Remaining Revenues for FY 2014, \$50 million of Net Remaining Revenues for FY 2015, and will receive \$55 million of Net Remaining Revenues for FY 2016, with participating airlines sharing in a pool of all Net Remaining Revenues in excess of these amounts.

For year ended September 30, 2013, the Authority operated under Airline-Airport Lease and Use Agreements (ALUA) with certain airlines serving the Airport (the Signatory Airlines) entered into on October 1, 2008 and expired on September 30, 2013.

The ALUA provided for the sharing of net revenues after the payment of debt service and other fund deposit requirements with the Signatory Airlines. The net remaining revenues were divided between the Authority and the Signatory Airlines using an allocation percentage of 75% and 25%, respectively, for the year ended September 30, 2013. Signatory Airlines net revenue sharing totaled approximately \$18.9 million as it relates to the ALUA for the year ended September 30, 2013.

16. OUTSTANDING CONTRACTS

As of September 30, 2015, the Authority had entered into construction contracts totaling approximately \$1.0 billion for construction, engineering services and equipment, approximately \$464.8 million of which remains unincurred. Grants and passenger facility charges will be utilized to fund a portion of these projects.

17. COMMITMENTS AND CONTINGENCIES

Grants: The Authority receives grants from federal and state assistance programs. Amounts received or receivable under these programs are subject to audit and adjustment. The amount, if any, of disallowed claims, including amounts already collected, cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

City of Orlando: The Operation and Use Agreement with the City of Orlando (Note 2) provided for certain future payments by the Authority to the City of Orlando in the amount of \$2.0 million in total plus 6% interest. The Agreement provides that all principal payments will be deferred and interest payments will be abated during the full term of airport revenue bonds issued for the construction of major new terminal facilities, runways or appurtenances at Orlando International Airport. It is improbable that this liability and related interest will be paid since the term of the revenue bonds issued for such items and the outstanding revenue bonds balance will extend beyond the terms of the Agreement. As of September 30, 2015, this contingent liability of the Authority amounted to approximately \$1.7 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

17. COMMITMENTS AND CONTINGENCIES (continued)

Rental Car Agencies: The Authority has agreed to reimburse several car rental agencies for the unamortized residual value of their leasehold improvements at Orlando International Airport, if their leases are terminated by the Authority prior to their expiration dates. As of September 30, 2015, this contingent liability of the Authority amounted to approximately \$1.3 million.

Wetland Mitigation: Pursuant to environmental permits issued by the U. S. Army Corps of Engineers, the FDEP and the South Florida Water Management District (collectively, the Environmental Agencies), the Authority has been required to provide mitigation for impacts which Authority projects had on existing wetlands. Wetland mitigation includes the preservation of both upland and wetland land in their natural state, the enhancement of existing wetlands, and the creation of new wetland areas. Wetland mitigation may also include funding the acquisition of environmentally sensitive lands by third parties.

The Authority has completed the wetland mitigation activities for mitigation enhancements projects at the site of the Disney Wilderness Preserve. The mitigation was for wetland impacts to areas associated with the future South Terminal and Fourth Runway and related development areas. The mandated agency success criteria has been achieved and long term maintenance endowments have been fully funded. In 2011, the Authority completed the purchase of approximately \$11.5 million in mitigation credits from approved mitigation banks to offset proposed impacts to the East Airfield development area. Unlike the mitigation projects discussed previously, such purchases satisfy permit requirements and do not require ongoing endowments. The mitigation banks assume the full responsibility to complete the off-site mitigation improvements.

Construction Disputes: The Authority is aware of a dispute with a contractor arising from the construction of improvements at Orlando International Airport. A delay and impact claim in the aggregate amount of approximately \$8,500,000 has been filed against the Authority. The Authority vigorously contests the claim and is negotiating a resolution with the contractor. Additionally, it is too early to evaluate any potential loss arising from the claim. As a result, no amounts have been recognized in the financial statements arising from this claim.

Concentration of Revenues: The Authority leases facilities to the airlines pursuant to the Resolution (see Note 15) and to other businesses to operate concessions at the Authority. For fiscal years ended September 30, 2015 and 2014, revenues realized from the following sources exceeded 5% of the Authority's total operating revenues:

	2015	2014
Southwest Airlines Co.	8.4 %	8.7%
Enterprise Leasing Co. of Orlando	8.4	8.3
Delta Air Lines	5.2	5.1

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

18. ENVIRONMENTAL LIABILITIES

The Authority has certain polluted sites primarily from chemical and fuel spills, asbestos, and former landfills whereas the Authority is named or will be named a responsible or potentially responsible party or where pollution remediation has already commenced with monitoring being completed as necessary. The Authority recorded a pollution remediation liability, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. A summary of the changes in liability for the year ended September 30, 2015 and 2014, is as follows (in thousands):

	Balance October 1, 2014	Additions or Adjustments	Payments Current Year	Balance September 30, 2015
Pollution remediation liability	\$ 2,692	\$ 1,395	\$ (1,577)	\$ 2,510
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 2,692</u>	<u>\$ 1,395</u>	<u>\$ (1,577)</u>	<u>\$ 2,510</u>
Reported as follows (shown in Current Accrued Liabilities and Other Long-Term Liabilities):				
Due within one year	\$ 808	\$ 1,485	\$ (1,577)	\$ 716
Due after one year	1,884	(90)	-	1,794
Net Pollution Remediation Liability	<u>\$ 2,692</u>	<u>\$ 1,395</u>	<u>\$ (1,577)</u>	<u>\$ 2,510</u>
Realized Recoveries (shown in Cash and Cash Equivalents)	<u>\$ 367</u>	<u>\$ -</u>	<u>\$ (239)</u>	<u>\$ 128</u>
	Balance October 1, 2013	Additions or Adjustments	Payments Current Year	Balance September 30, 2014
Pollution remediation liability	\$ 2,856	\$ 392	\$ (556)	\$ 2,692
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 2,856</u>	<u>\$ 392</u>	<u>\$ (556)</u>	<u>\$ 2,692</u>
Reported as follows (shown in Current Accrued Liabilities and Other Long-Term Liabilities):				
Due within one year	\$ 912	\$ 452	\$ (556)	\$ 808
Due after one year	1,944	(60)	-	1,884
Net Pollution Remediation Liability	<u>\$ 2,856</u>	<u>\$ 392</u>	<u>\$ (556)</u>	<u>\$ 2,692</u>
Realized Recoveries (shown in Cash and Cash Equivalents)	<u>\$ 543</u>	<u>\$ -</u>	<u>\$ (176)</u>	<u>\$ 367</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

18. ENVIRONMENTAL LIABILITIES (continued)

The Authority has certain land sites that are being evaluated for potential remediation, in accordance with GASB 49, or are in the post-remediation stage with monitoring being completed as necessary.

In addition, the Authority has a polluted site from chemical and fuel spills, whereas the Authority is involved in litigation at Orlando International Airport. The liabilities associated with these sites are not reasonably estimable and, as such are not recorded in the financial statements.

19. SUBSEQUENT EVENTS

On October 20, 2015, the Authority issued \$214.5 million in Airport Facilities Revenue Bonds, Series 2015A (AMT) (the "Series 2015A Bonds"). The Series 2015A Bonds were issued for the purpose of providing funds to finance costs of the Ticket Lobby Improvements, Airside 4 Improvements, and a portion of the Airside 1&3 projects, pay the Bank of America and Wells Fargo line of credit draws totaling \$44.2 million and the associated interest, pay capitalized interest of the Series 2015A bonds, and certain costs of issuance. The average life of the Series 2015A Bonds is 19.14 years and the True Interest Cost is 4.05%.

On November 6, 2015, the Authority entered into an agreement with PNC Bank, N.A. to provide the Authority with a \$100 million line of credit. The line of credit will be available to provide short term funding for capital projects in anticipation of the issuance of long-term bonds and/or receipts of grants, PFCs, Authority funds and other permanent funding sources. A portion of the line of credit was used to repay a line of credit with Wells Fargo. The term of the line of credit expires on November 4, 2016.

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**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years (1)
(in thousands)**

	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Total Pension Liability			
Service Cost	\$ 1,675	\$ 1,562	\$ 1,456
Interest	8,642	8,296	7,934
Benefit Payments, Including Refunds of Employee Contributions	<u>(5,436)</u>	<u>(4,962)</u>	<u>(4,044)</u>
Net Change in Pension Liability	4,881	4,896	5,346
Total Pension Liability Beginning	<u>120,243</u>	<u>115,347</u>	<u>110,001</u>
Total Pension Liability Ending (a)	<u>\$ 125,124</u>	<u>\$ 120,243</u>	<u>\$ 115,347</u>
 Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,565	\$ 7,366	\$ 5,314
Contributions - Other	-	4	-
Contributions - Employee	-	113	-
Net Investment Income	9,698	12,221	13,828
Benefit Payments, Including Refunds of Employee Contributions	<u>(5,436)</u>	<u>(4,962)</u>	<u>(4,044)</u>
Administrative Expense	<u>(24)</u>	<u>(47)</u>	<u>(45)</u>
Net Change in Plan Fiduciary Net Position	11,803	14,695	15,053
Plan Fiduciary Net Position - Beginning	<u>104,839</u>	<u>90,144</u>	<u>75,091</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 116,642</u>	<u>\$ 104,839</u>	<u>\$ 90,144</u>
 Net Pension Liability, Ending = (a) - (b)	\$ 8,482	\$ 15,404	\$ 25,204
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.22 %	87.19 %	78.15 %
 Covered Employee Payroll	\$ 10,709	\$ 10,828	\$ 11,443
 Net Pension Liability as a Percentage of Covered Employee Payroll	79.20 %	142.26 %	220.25 %

(1) GASB 68 requires information for 10 years. However, only the information currently available is presented.

**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
(in thousands)**

	9/30/2015	9/30/2014	9/30/2013
Actuarially Determined Contribution	\$ 6,565	\$ 6,470	\$ 5,314
Contributions in Relation to the Actuarially Determined Contribution	7,565	7,366	5,314
Contribution Deficiency (Excess)	\$ (1,000)	\$ (896)	\$ -
 Covered Employee Payroll	 \$ 10,709	 \$ 10,828	 \$ 11,443
Contributions as a percentage of covered employee payroll	70.64 %	68.03 %	46.44 %

Notes to Schedule

Valuation Date 10/1/2012

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Basis

Actuarial Value of Asses: The Actuarial Value of Assets is equal to the difference between actual and expected returns recognized over five years. The actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Wage Inflation Rate: 3% per year
Rate of Salary Increase for Individual Members: 5% per year
Investment Return Rate: 7.25% per year

**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
MULTI-EMPLOYER PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Fiscal Years ⁽¹⁾
(in thousands)**

FRS Plan

	2015	2014
Proportion of the net pension liability (asset)	0.035205541 %	0.034121231 %
Proportionate share of the net pension liability (asset)	\$ 4,547	\$ 2,082
Covered-employee payroll	\$ 5,130	\$ 4,857
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	88.64 %	42.87 %
Plan fiduciary net position as a percentage of the total pension liability ⁽²⁾	92.00 %	96.09 %

- (1) GASB 68 requires information for 10 years. However, only the information currently available is presented.
(2) The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the FRS Comprehensive Annual Financial Report.

Multi-Employer Pension Plan
Schedule of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years ⁽¹⁾
(in thousands)

HIS Plan

	2015	2014
Proportion of the net pension liability (asset)	0.016900316 %	0.016348268 %
Proportionate share of the net pension liability (asset)	\$ 1,724	\$ 1,528
Covered-employee payroll	\$ 5,130	\$ 4,857
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33.61 %	31.46 %
Plan fiduciary net position as a percentage of the total pension liability ⁽²⁾	0.50 %	0.99 %

- (1) GASB 68 requires information for 10 years. However, only the information currently available is presented.
(2) The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the FRS Comprehensive Annual Financial Report.

GREATER ORLANDO AVIATION AUTHORITY
 REQUIRED SUPPLEMENTARY INFORMATION
 MULTI-EMPLOYER PENSION PLAN
 SCHEDULE OF CONTRIBUTIONS ^{(1) (2)}
 Last 10 Fiscal Years
 (in thousands)

FRS Plan

	2015	2014
Actuarially Determined Contribution	\$ 858	\$ 747
Contributions in Relation to the Actuarially Determined Contributions	858	747
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll	5,130	4,857
Contributions as a percentage of covered employee payroll	16.73 %	17.67 %

(1) The Amounts presented for each fiscal year were determined as of June 30.

(2) GASB 68 requires information for 10 years. However, only the information currently available is presented.

Multi-Employer Pension Plan - FRS
 Schedule of Contributions
 Last 10 Fiscal Years ^{(1) (2)}
 (in thousands)

HIS Plan

	2015	2014
Actuarially Determined Contribution	\$ 64	\$ 56
Contributions in Relation to the Actuarially Determined Contributions	64	56
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll	5,130	4,857
Contributions as a percentage of covered employee payroll	1.25 %	1.32 %

(1) The Amounts presented for each fiscal year were determined as of June 30.

(2) GASB 68 requires information for 10 years. However, only the information currently available is presented.

**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER POSTEMPLOYMENT BENEFITS PLAN
(in thousands)**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date October 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	\$ 48,628	\$ 54,963	\$ 6,335	88.5 %	\$ 36,934	17.2 %
2014	47,137	54,765	7,628	86.1	35,067	21.8
2013	40,366	54,108	13,742	74.6	34,028	40.4

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Years Ended September 30,	Employer Contributions	
	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2015	\$ 1,773	170.5 %
2014	2,073	187.6
2013	2,878	196.0

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APPENDIX F

FORM OF CO-BOND COUNSEL OPINION

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APPENDIX F

FORM OF CO-BOND COUNSEL OPINION OF FOLEY & LARDNER LLP AND D. SEATON AND ASSOCIATES, P.A. WITH RESPECT TO THE SERIES 2016 SUBORDINATED BONDS

Upon delivery of the Series 2016 Subordinated Bonds in definitive form, Foley & Lardner LLP, Orlando, Florida, and D. Seaton and Associates, P.A., Orlando, Florida, Co-Bond Counsel, propose to render their respective opinions in relation to such Series 2016 Subordinated Bonds in substantially the following form:

(Closing Date)

Greater Orlando Aviation Authority
Orlando, Florida

Re: \$76,930,000 Greater Orlando Aviation Authority Priority Subordinated
Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the
City of Orlando, Florida

Ladies and Gentlemen:

We have acted as co-bond counsel to the Greater Orlando Aviation Authority (the “**Authority**”) in connection with the issuance by the Authority of its Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the City of Orlando, Florida (the “**Series 2016 Subordinated Bonds**”). The Series 2016 Subordinated Bonds are issued under and pursuant to the Greater Orlando Aviation Authority Act, Chapter 98-492, Laws of Florida, as amended (the “**Act**”), the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida, adopted by the Authority on June 13, 1978, as codified on September 17, 2008, and as amended and supplemented on June 24, 2015 and effective July 31, 2015 (as amended and supplemented, the “**Senior Bond Resolution**”), the Resolution Authorizing the Issuance and Sale of Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the City of Orlando, Florida, adopted by the Authority on June 15, 2016 and approved by the City Council of the City of Orlando (the “**City**”) on June 20, 2016 (the “**Issuance Resolution**”), the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the “**Master Subordinated Indenture**”), as supplemented by the First Supplemental Subordinated Indenture of Trust (the “**First Supplemental Indenture**” and, the Master Subordinated Indenture, as so supplemented, the “**Subordinated Indenture**”), each between the Authority and U.S. Bank National Association, as trustee (the “**Trustee**”). All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Subordinated Indenture.

As co-bond counsel, we have examined the law, the Subordinated Indenture, the Senior Bond Resolution, the Issuance Resolution, the Act, the by-laws of the Authority, and a certified copy of the proceedings relating to the issuance of the Series 2016 Subordinated Bonds. As to questions of fact material to our opinion, we relied upon the representations of the Authority contained in the Subordinated Indenture, the Issuance Resolution, the Senior Bond

Resolution and the certified proceedings relating thereto and to certifications of Authorized Officers of the Authority and other certifications of public officials and others furnished to us in connection therewith without independently undertaking to verify them. We have also relied upon the opinion of Broad and Cassel as to the due creation and valid existence of the Authority and the opinion of the Office of Legal Affairs of the City as to the due adoption by the City of its approving resolution.

The Series 2016 Subordinated Bonds do not constitute a general indebtedness of the Authority, the City, the State of Florida (the “*State*”) or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are payable solely from the Pledged Subordinated Revenues in the manner and to the extent provided in the Subordinated Indenture. The Series 2016 Subordinated Bonds are (i) secured on a parity with Other Subordinated Parity Indebtedness heretofore issued pursuant to the Senior Bond Resolution, (ii) will be secured on a parity with other Priority Subordinated Indebtedness hereafter issued pursuant to the Master Subordinated Indenture, and (iii) are secured by and payable from Pledged Subordinated Revenues under the Master Subordinated Indenture. The Authority has no taxing power. The rights of the owners of the Series 2016 Subordinated Bonds to payment from Revenues of the Authority are subordinate to the rights of the owners of the Senior Bonds issued and outstanding from time to time pursuant to the Senior Bond Resolution.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Authority is an agency of the City duly existing under the Act, with all necessary power and authority to adopt the Issuance Resolution, enter into and perform its obligations under the Senior Bond Resolution and the Subordinated Indenture, and issue the Series 2016 Subordinated Bonds.
2. The Series 2016 Subordinated Bonds have been duly authorized, executed, and delivered by the Authority, and, assuming that the Series 2016 Subordinated Bonds have been authenticated as provided in the Act and the Subordinated Indenture, the Series 2016 Subordinated Bonds constitute legal, valid, and binding obligations of the Authority, enforceable in accordance with their terms and are entitled to the benefits and security of the Senior Bond Resolution and the Subordinated Indenture.
3. The Master Subordinated Indenture and the First Supplemental Indenture are authorized by the Act, the Master Subordinated Indenture and the First Supplemental Indenture have each been duly authorized, executed and delivered by the Authority and approved by the City, and assuming that the Master Subordinated Indenture and the First Supplemental Indenture have each been duly authorized, executed and delivered by the Trustee, the Master Subordinated Indenture and the First Supplemental Indenture constitute legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms.
4. The interest on the Series 2016 Subordinated Bonds is excluded from gross income for federal income tax purposes, except for any period during which such Series 2016

Subordinated Bond is held by a “substantial user” of the facilities financed with the Series 2016 Subordinated Bonds or a “related person” of such substantial user within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the “Code”). In addition, interest on the Series 2016 Subordinated Bonds is a specific preference item for purposes of the federal individual and corporate alternative minimum taxes. The opinions set forth in this paragraph are subject to the condition that the Authority comply with various requirements imposed by the Code, that must be complied with following the issuance of the Series 2016 Subordinated Bonds in order for interest on the Series 2016 Subordinated Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The Authority has covenanted in the Subordinated Indenture that it will comply with the applicable provisions of the Code necessary to maintain the exclusion from gross income of interest on the Series 2016 Subordinated Bonds. The Authority’s failure to comply with such covenants may result in the inclusion of interest on the Series 2016 Subordinated Bonds in gross income for federal income tax purposes in some cases retroactively to the date the Series 2016 Subordinated Bonds were issued. We have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2016 Subordinated Bonds may adversely affect the tax status of interest on the Series 2016 Subordinated Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Series 2016 Subordinated Bonds.

The rights of the owners of the Series 2016 Subordinated Bonds and the enforceability of the Series 2016 Subordinated Bonds, the Subordinated Indenture and the Senior Bond Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors’ rights, and by equitable principles (which may be applied in either a legal or an equitable proceeding). We express no opinion as to the availability of any particular form of judicial relief.

Except as set forth in our supplemental opinion of even date, we have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated June 24, 2016 or other offering material relating to the Series 2016 Subordinated Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in the Official Statement). We have not passed on any matters relating to the business, affairs, or condition (financial or otherwise) of the Authority and no inference should be drawn that we have expressed any opinion on matters relating to the ability of the Authority to perform its obligations under the Subordinated Indenture or the Senior Bond Resolution.

This letter speaks as of its date. We assume no duty to change this letter to reflect any facts or circumstances that later come to our attention or any changes in law. We express no opinion as to laws other than the laws of the State and the federal laws of the United States of America. In acting as co-bond counsel, we have established an attorney-client relationship solely with the Authority.

Very truly yours,

FOLEY & LARDNER LLP

D. SEATON AND ASSOCIATES, P.A.

APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

by and between

GREATER ORLANDO AVIATION AUTHORITY

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

\$76,930,000

**GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED
AIRPORT FACILITIES
REVENUE REFUNDING BONDS,
SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

Dated July 12, 2016

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") dated July 12, 2016, is executed and delivered by the **GREATER ORLANDO AVIATION AUTHORITY**, an agency of the City of Orlando, Florida (the "Authority") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company duly organized and existing under the laws of the State of Florida, and any successor dissemination agent serving hereunder pursuant to Section 11 hereof (the "Dissemination Agent" or "DAC").

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the Authority issued \$76,930,00 in original aggregate principal amount of its Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) of the City of Orlando, Florida (the "Series 2016 Subordinated Bonds"), pursuant to Chapter 57-1658, Special Laws of Florida 1957 which was subsequently repealed, recodified and amended by Chapter 98-492, Special Laws of Florida 1998, as amended, and pursuant to the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the "Master Subordinated Indenture") as supplemented by that certain First Supplemental Indenture of Trust dated as of July 1, 2016 (the "First Supplemental Indenture" and together with the "Master Subordinated Indenture", the "Subordinated Indenture").

B. The Series 2016 Subordinated Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to: (a) refinance certain draws on one or more of the Existing Lines of Credit previously used to (i) refund the Series 1997 Subordinated Bonds and (ii) make certain termination payments in connection with a related swap, (b) make a deposit to the Pooled Subordinated Reserve Account in an amount equal to the Pooled Subordinated Reserve Account Requirement, and (c) pay certain costs of issuance of the Series 2016 Subordinated Bonds.

C. The Authority has authorized the preparation and distribution of the Preliminary Official Statement dated June 16, 2016 with respect to the Series 2016 Subordinated Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the Authority deemed that the Preliminary Official Statement was final within the meaning of the Rule (as defined herein).

D. Upon the initial sale of the Series 2016 Subordinated Bonds to the Participating Underwriter (as defined herein), the Authority authorized the preparation and distribution of the Official Statement dated June 24, 2016 with respect to the Series 2016 Subordinated Bonds (the "Official Statement").

E. As a condition precedent to the initial purchase of the Series 2016 Subordinated Bonds by the Participating Underwriter in accordance with the terms of the Bond Purchase Agreement dated June 24, 2016 by and between the Authority and the Participating Underwriter, and in compliance with the Participating Underwriter's obligations under the Rule, the Authority has agreed to undertake certain disclosure obligations of certain financial information or operating data on an ongoing basis for so long as the Series 2016 Subordinated Bonds remain outstanding as set forth herein.

NOW THEREFORE, in consideration of the purchase of the Series 2016 Subordinated Bonds by the Participating Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the Authority and the Dissemination Agent do hereby certify and agree as follows:

Section 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

Section 2. Definitions.

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined herein shall have the meanings ascribed thereto in the Subordinated Indenture and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Annual Filing" means any annual report provided by the Authority, pursuant to and as described in Sections 4 and 6 hereof.

"Annual Filing Date" means the date, set forth in Sections 4(a) and 4(e) hereof, by which the Annual Filing is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (f)(9) of the Rule and specified in Section 6(a) hereof.

"Audited Financial Statements" means the financial statements of the Authority for the prior Fiscal Year, certified by an independent auditor and prepared in accordance with generally accepted accounting principles, as in effect from time to time, and audited by an independent certified public accountant in conformity with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Government Accounting Standards Board.

"Beneficial Owner" means any beneficial owner of the Series 2016 Subordinated Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the SEC, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"Business Day" means a day other than a Saturday or a Sunday or a day on which banks are authorized or required by law to close.

"Disclosure Representative" means the Chief Financial Officer of the Authority or his or her designee, or such other person as the Authority shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

"Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as initial Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Authority pursuant to Section 11 hereof.

"EMMA" means the Electronic Municipal Market Access system, a service of the MSRB, or any successor thereto.

"Filing" means, as applicable, any Annual Filing, Notice Event Filing, Voluntary Report or any other notice or report made public under this Disclosure Agreement.

"Fiscal Year" means the fiscal year of the Authority, which currently is the twelve-month period beginning October 1 and ending on September 30 of the following year or any such other twelve-month period designated by the Authority, from time to time, to be its fiscal year.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event Filings, and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Notice Event" means an event listed in Sections 5(a) and 5(b) hereof.

"Notice Event Filing" shall have the meaning specified in Section 5(c) hereof.

"Obligated Person" means the Authority and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Series 2016 Subordinated Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The Authority confirms that, as of the date hereof, it is the only Obligated Person with respect to the Series 2016 Subordinated Bonds.

"Participating Underwriter" means the original purchaser of the Series 2016 Subordinated Bonds required to comply with the Rule in connection with the offering of the Series 2016 Subordinated Bonds.

"Repository" means each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The repositories currently approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the only Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure filings through its EMMA website at <http://emma.msrb.org>.

"Rule" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Third-Party Beneficiary" shall have the meaning specified in Section 3(b) hereof.

"Unaudited Financial Statements" means the financial statements (if any) of the Authority for the prior Fiscal Year which have not been certified by an independent auditor.

"Voluntary Report" means the information provided to the Dissemination Agent by the Authority pursuant to Section 8 hereof.

Section 3. Scope of this Disclosure Agreement.

(a) The Authority has agreed to enter into this Disclosure Agreement and undertake the disclosure obligations hereunder, at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Series 2016 Subordinated Bonds, in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the Authority under this Disclosure Agreement relate solely to the Series 2016 Subordinated Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the Authority, nor to any other securities issued by or on behalf of the Authority.

(b) Neither this Disclosure Agreement, nor the performance by the Authority or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon: (i) the defeasance, redemption or payment in full of all Series 2016 Subordinated Bonds, in accordance with the Master Subordinated Indenture, as amended, or (ii) the delivery of an opinion of counsel expert in federal securities laws retained by the Authority to the effect that continuing disclosure is no longer required under the Rule as to the Series 2016 Subordinated Bonds.

Section 4. Annual Filings.

(a) The Authority shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the Repository, in an electronic format as prescribed by the MSRB. The April 30th immediately following the preceding Fiscal Year ended September 30, commencing with the Fiscal Year ending September 30, 2016, shall be the Annual Filing Date. If April 30th falls on a day that is not a Business Day, the Annual Filing will be due on the first Business Day thereafter. Such date and each anniversary thereof is the Annual Filing Date. The Annual Filing may be submitted as a single document or as separate documents composing a package, and may cross-reference other information as provided in Section 6 hereof.

(b) If on the second Business Day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the Authority of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than 6:00 p.m. Eastern Time on the Annual Filing Date (or if such Annual Filing Date is not a Business Day, then the first Business Day thereafter), or (ii) instruct the Dissemination Agent in writing as to the status of the Annual Filing within the time required under this Disclosure Agreement, and state the date by which the Annual Filing for such year is expected to be provided. If the Dissemination Agent has not received either (i) the Annual Filing by 6:00 p.m. Eastern Time on the Annual Filing Date, or (ii) evidence from the Authority that it has delivered the Annual Filing to the Repository by 11:59 p.m. Eastern Time on the Annual Filing Date, the Authority hereby irrevocably directs the Dissemination Agent, and the Dissemination Agent agrees, to immediately send a notice to the Repository the Business Day following the Annual Filing Date in substantially the form attached to this Disclosure Agreement as Exhibit A without reference to the anticipated filing date for the Annual Filing, and stating only that the "Notice Event" is that the Authority has failed to file the Annual Report by the deadline imposed by this Agreement, without any additional information or commentary.

(c) If the Audited Financial Statements are not available prior to the Annual Filing Date, the Authority shall provide the Unaudited Financial Statements and when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Dissemination Agent for filing with the Repository.

(d) The Dissemination Agent shall:

(i) upon receipt, and no later than the Annual Filing Date, promptly file each Annual Filing received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(ii) upon receipt, and no later than the Annual Filing Date, promptly file each Audited Financial Statement or Unaudited Financial Statement received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(iii) provide the Authority evidence of the filings of each of the above when made, which shall be made by means of the DAC system, for so long as DAC is the Dissemination Agent under this Disclosure Agreement.

(e) The Authority may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Dissemination Agent and the Repository, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(f) Each Annual Filing shall contain the information set forth in Section 6 hereof.

Section 5. Reporting of Notice Events.

(a) In accordance with the Rule, the Authority or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner not in excess of ten (10) Business Days after the occurrence of any of the following Notice Events with respect to the Series 2016 Subordinated Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2016 Subordinated Bonds, or other material events affecting the tax status of the Series 2016 Subordinated Bonds;
- (vii) Modifications to rights of Holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Series 2016 Subordinated Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership, or a similar proceeding on the part of an Obligated Person. Such an event is considered to have occurred when there is an appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation

by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person;

(xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person, or the sale of all or substantially all of the assets of an Obligated Person other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) In accordance with the Rule, the Authority or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner, after the occurrence of a failure of the Authority to provide the Annual Filing on or before the Annual Filing Date.

(c) The Authority shall promptly notify the Dissemination Agent in writing of the occurrence of a Notice Event; provided, however, to the extent any such Notice Event has been previously and properly disclosed on the Repository by or on behalf of the Authority, the Authority shall not be required to provide such additional notice of such Notice Event in accordance with this subsection. Such notice shall instruct the Dissemination Agent to immediately report the occurrence pursuant to Section 5(e) hereof. Such notice shall be accompanied with the text of the disclosure that the Authority desires to make (each a "Notice Event Filing"), the written authorization of the Authority for the Dissemination Agent to disseminate such information, and the date on which the Authority desires for the Dissemination Agent to disseminate the information.

(d) The Dissemination Agent is under no obligation to notify the Authority or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will instruct the Dissemination Agent that: (i) a Notice Event has not occurred and no filing is to be made, or (ii) a Notice Event has occurred and provide the Dissemination Agent with the Notice Event Filing and the date the Dissemination Agent should file the Notice Event Filing.

(e) The Dissemination Agent shall upon receipt, and no later than the required filing date, promptly file each Notice Event Filing received under Section 5(a) and (b) hereof with the Repository in an electronic format as prescribed by the MSRB;

Section 6. Content of Annual Filings. Each Annual Filing shall contain the following:

(a) Updates to the operating data or financial information set forth in the Official Statement:

(i) the table entitled, "Airlines Serving Orlando International Airport" under the heading "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Airlines Serving Orlando International Airport":

(ii) the table entitled, "Historical Airline Market Shares Percentage of Total Passengers" under the heading "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Airline Market Shares":

(iii) the table entitled, "Historical Domestic, International and Total Enplaned Passengers" under the heading "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Enplaned Passengers at the Airport":

(iv) the table entitled, "Passenger Facility Charges" under the heading "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges":

(v) the table entitled, "Statement of Revenues, Expenses and Changes in Net Position" under the heading "AUTHORITY FINANCIAL INFORMATION - Historical Statement of Revenues and Expenses":

(vi) the table entitled, "Historical Debt Service Coverage Per Airport Facilities Revenue Bond Resolution" under the heading "AUTHORITY FINANCIAL INFORMATION - Historical Debt Service Coverage;" and

(vii) the table entitled "Net Revenues Available for Payment of Subordinated Indebtedness" under the heading "AUTHORITY FINANCIAL INFORMATION - Historical Debt Service Coverage."

(b) If available at the time of such filing, the Audited Financial Statements for the prior Fiscal Year. If the Audited Financial Statements are not available by the time the Annual Filing is required to be filed pursuant to Section 4(a) hereof, the Annual Filing shall contain Unaudited Financial Statements of the Authority prepared in accordance with generally accepted accounting principles, as in effect from time to time, and the Audited Financial Statements shall be filed in the same manner as the Annual Filing when they become available. The Audited Financial Statements (if any) will be provided pursuant to Section 4(c) hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements for debt issues with respect to which the Authority is an Obligated Person which have been previously filed with the Repository or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Repository. The Authority will clearly identify each such document so incorporated by reference.

Section 7. Responsibility for Content of Reports and Notices.

(a) The Authority shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Series 2016 Subordinated Bonds. Each Notice Event Filing shall be in substantially the form set forth in Exhibit A attached hereto. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the Authority shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances under which it is made.

(c) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents composing a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the Repository or the SEC; provided that any final official statement incorporated by reference must be available from the Repository.

(d) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the Authority or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

Section 8. Voluntary Reports.

(a) The Authority may instruct the Dissemination Agent to file information with the Repository, from time to time (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing, in addition to that required by this Disclosure Agreement. If the Authority chooses to include any information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing in addition to that which is specifically required by this Disclosure Agreement, the Authority shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the Authority is under no obligation to provide any Voluntary Report.

(d) The Dissemination Agent shall upon receipt promptly file each Voluntary Filing received under Section 8 hereof with the Repository in an electronic format as prescribed by the MSRB.

Section 9. Defaults; Remedies.

(a) A party shall be in default of its obligations hereunder if it fails or refuses to carry out or perform its obligations hereunder for a period of five (5) Business Days following notice of default given in writing to such party by any other party hereto or by any Third-Party Beneficiary hereof, unless such default is cured within such five (5) Business Day notice period.

An extension of such five (5) Business Day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any nondefaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default; excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Subordinated Indenture to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Subordinated Indenture.

Section 10. Amendment or Modification

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section 10. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Subordinated Indenture.

(b) Notwithstanding any other provision of this Disclosure Agreement, the Authority may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if: (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Series 2016 Subordinated Bonds, or type of business conducted by such obligor; (ii) such amendment or waiver does not materially impair the interests of the Beneficial Owners of the Series 2016 Subordinated Bonds, as determined either by an unqualified opinion of counsel expert in federal securities laws retained by the Authority or by the approving vote of a majority of the Beneficial Owners of the Series 2016 Subordinated Bonds outstanding at the time of such amendment or waiver; and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws retained by the Authority, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

(c) If any provision of Section 6 hereof is amended or waived, the first Annual Filing containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(d) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the Authority's financial statements are amended or waived, the Annual Filing for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the beneficial owners of the Series 2016 Subordinated Bonds to enable them to evaluate the ability of the Authority to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The Authority will file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(e) Notwithstanding the foregoing, the Dissemination Agent shall not be obligated to agree to any amendment expanding its duties or obligations hereunder without its consent thereto.

(f) The Authority shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 8 hereof.

Section 11. Agency Relationship.

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proven that the Dissemination Agent engaged in negligent conduct or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of counsel concerning all matters arising hereunder, and may in all cases pay such reasonable

compensation as it may deem proper to all such attorneys and agents. The Dissemination Agent shall be responsible for the acts or negligence of any such attorneys, agents or counsel.

(e) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(f) Except as expressly provided herein, the Dissemination Agent shall not be required to monitor the compliance of the Authority with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(g) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the Authority. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the Authority, provided that such removal shall not become effective until a successor dissemination agent has been appointed by the Authority under this Disclosure Agreement.

(h) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the Authority shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the Authority may appoint itself to serve as Dissemination Agent hereunder.

(i) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 12. Miscellaneous.

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions, ordinances, or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure

Agreement, or otherwise contesting or questioning the issuance of the Series 2016 Subordinated Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

Section 13. Identifying Information. All documents provided to the Repository pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 14. Severability. In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED
AIRPORT FACILITIES
REVENUE REFUNDING BONDS,
SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

(SEAL)

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Frank Kruppenbacher, Chairman

ATTEST:

By: _____
Assistant Secretary

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED
AIRPORT FACILITIES
REVENUE REFUNDING BONDS,
SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C.**, as Dissemination Agent

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

**NOTICE TO REPOSITORY OF THE OCCURRENCE OF
[INSERT THE NOTICE EVENT]**

Relating to

\$76,930,000

**GREATER ORLANDO AVIATION AUTHORITY
PRIORITY SUBORDINATED
AIRPORT FACILITIES
REVENUE REFUNDING BONDS,
SERIES 2016 (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

Originally Issued on July 12, 2016

Maturity	Initial
(October 1)	CUSIP No.
2016	392274J80
2017	392274J98
2018	392274K21
2019	392274K39
2020	392274K47
2021	392274K54
2022	392274K62
2023	392274K70
2024	392274K88
2025	392274K96
2026	392274L20
2027	392274L38

Notice is hereby given by the Greater Orlando Aviation Authority (the "Authority"), as obligated person with respect to the above-referenced Series 2016 Subordinated Bonds issued by the Authority, under the Securities and Exchange Commission's Rule 15c2-12, that ****INSERT THE NOTICE EVENT****] has occurred. ****DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO****].

This Notice is based on the best information available to the Authority at the time of dissemination hereof and is not guaranteed by the Authority as to the accuracy or completeness of such information. The Authority will disseminate additional information concerning ****NOTICE EVENT****], as and when such information becomes available to the Authority, to the extent that the dissemination of such information would be consistent with the requirements of Rule 15c2-12 and the Authority's obligation under that certain Continuing Disclosure Agreement dated July 12, 2016. ****Any questions regarding this notice should be directed in writing only to the Authority. However, the Authority will not provide additional**

information or answer questions concerning [NOTICE EVENT**] except in future written notices, if any, disseminated by the Authority in the same manner and to the same recipients as this Notice**].**

DISCLAIMER: All information contained in this Notice has been obtained by the Authority from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the Authority have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information contained in this Notice, or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: _____

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Name: _____
Title: _____



GREATER ORLANDO AVIATION AUTHORITY



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