

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Minutes of the meeting of the New Jersey Transportation Trust Fund Authority ("Authority") held at the Office of the Commissioner in the Administration Building of the New Jersey Department of Transportation, 1035 Parkway Avenue, Trenton, New Jersey on July 27, 2009 at 2:00 PM (EDT).

The following Authority members were present:

- Stephen Dilts, Commissioner, New Jersey Department of Transportation; Chairman, New Jersey Transportation Trust Fund Authority (NJ TTFA)
- Steven Petrecca, Manager, Office of Management and Budget – (*Designee for the Honorable R. David Rousseau, New Jersey State Treasurer*)
- Joseph Ripa, NJ TTFA Vice Chairman, Public Member
- Robert A. Briant, Jr., Public Member
- Vivian Altman, Public Member

Constituting a quorum of the Members of the Authority.

There were also present:

- Steven B. Hanson, Executive Director
- Michelle E. Saupe', Secretary of the Authority
- Linda M. Davino, Assistant Secretary of the Authority
- Aimee Manocchio Nason, Deputy Attorney General, NJDOL&PS
- Nancy B. Feldman, Director, Office of Public Finance
- David Moore, Manager, Office of Public Finance
- Judy Sigle, Director, Division of Accounting and Auditing, NJDOT
- Michael J. MacFeeters, Division of Accounting and Auditing, NJDOT
- Ivette Santiago-Green, Esq., NJ TTFA Ethics Liaison Officer
- Sonia Frontera, Esq., Governor's Authorities Unit
- Jim Vari, Budget Analyst, Office of Management and Budget
- Joesph A. Hroncich, Associate Fiscal Analyst; Authorities, Utilities, Transportation and Communications Section; Office of Legislative Services
- Gary E. Walsh, Bond Counsel, Windels Marx Lane & Mittendorf, LLP

Commissioner / Chairman Dilts presided at the meeting and Michelle E. Saupe', Secretary, kept the minutes.

Commissioner / Chairman Dilts convened the meeting at 2:05 PM and welcomed Vivian Altman, new member to the Authority and thanked her for her service. Commissioner / Chairman Dilts then made the following statement:

"I wish to announce that adequate notice of today's meeting of the New Jersey Transportation Trust Fund Authority has been provided in accordance with the Open Public Meetings Act. Notice was filed with the Secretary of State. This notice was also mailed to five (5) newspapers of general distribution (Atlantic City Press, Camden Courier Post, Star Ledger, The Trentonian, and Trenton Times); posted on the Authority's website; and posted in the main entrance of the New Jersey Department of Transportation's Headquarters."

Commissioner / Chairman Dilts requested Steve Hanson to call roll and acknowledged that a quorum was present. Commissioner / Chairman Dilts welcomed everyone present at the meeting and thanked them for their participation.

As the first order of business, Commissioner / Chairman Dilts requested a motion to approve the minutes of the Authority's March 26, 2009 meeting. Vice Chairman Joseph Ripa moved the following resolution approving the minutes of the Authority's March 26, 2009 meeting.

WHEREAS, Article II, Section 8 of the Bylaws of the New Jersey Transportation Trust Fund Authority provides that the minutes of actions taken at meetings of the Authority be approved by the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the minutes taken at the meeting of March 26 2009 of the New Jersey Transportation Trust Fund Authority are hereby approved.

The motion was seconded by Public Member Robert A. Briant, Jr. Public Member Vivian Altman requested to abstain on the basis that she had not attended the last meeting. The Commissioner / Chairman Dilts asked if anyone wanted to discuss or had questions on the motion. The members did not have any discussion or questions on the motion.

The members were polled. Four members were in favor, one member abstained, and no members were in opposition; therefore, the motion was carried.

As the second order of business, (Agenda Package, Item / Tab D), Approval of The Twenty-Third Supplemental Transportation System Bond Resolution authorizing the issuance by the Authority of its Transportation System Bonds, 2009 Series. Commissioner / Chairman Dilts asked Executive Director Hanson to provide a summary of what is contained in the proposed Twenty-Third Supplemental Resolution. Mr. Hanson stated that the first element of the resolution authorizes \$1.6 billion in new money bonds for Fiscal Year 2010. The Authority already indicated in the Fiscal Year 2010 Final Plan submission to the Legislature that the range of bonding would be between \$1.3 billion and \$1.6 billion. This resolution will authorize the Authority to prepare all offering statements and legal documents necessary to issue up to \$1.6 billion during this fiscal year. The Board will still need to specifically approve selection of the financing team and the cost of issuance for any additional bond sales beyond the current 2009 Series C Bonds being authorized today.

The second element of the resolution authorizes the sale of an estimated \$150 million of 2009 Series C Bonds in August. The bonds will be issued as variable interest rate demand bonds supported

by a letter of credit. The primary purpose of these bonds is to serve as a hedge against one of the 2003 SWAP agreement. The Authority issued \$345 million in auction rate securities in 2003 in conjunction with two SWAP agreements. In those agreements, the Authority agreed to pay a fixed rate to the SWAP provider who in turn agreed to pay the Authority a variable rate based on a percentage of LIBOR. The Auction Rate Securities market collapsed in 2008 and the Authority converted the variable rate bonds to higher fixed rate bonds and remarketed them. Now the Authority is paying a fixed rate to the SWAP providers and a higher fixed rate for the 2003 Series B Bonds. This bond sale is directed at correcting this situation. The new 2009 Series C Bonds will take the place of \$150 million of the 2003 Series B Bonds in the SWAP agreements. The 2003 Series B Bonds will remain as is and are not being refunded in this transaction. The new 2009 Series C Bonds will also provide the Authority with \$150 million in project proceeds although this is not the primary intent of the bond sale.

Mr. Hanson also noted that the Twenty-Third Supplemental Resolution had been amended from what had been submitted in the original mailed Board package. The revised resolution was distributed to the members at the beginning of the meeting. The changes were made to provide specific guidance on how the issuer subsidy payments from the United States Government will be handled relative to Build America Bonds currently outstanding as well as authorized to be issued under the Twenty-Third Supplemental Resolution. Executive Director Hanson asked Mr. Gary Walsh, of Windels, Marx, Lane, & Mittendorf, LLP, Bond Counsel, to describe in more detail the changes encompassed in the revised resolution. Mr. Walsh indicated that the Twenty-Third Supplemental Resolution that was being proposed for adoption contained an additional paragraph from that which

had been in the packages sent to the Board. Paragraph (n) in Section 2.11 was added to provide that the Board was delegating to an Authorized Authority Official the ability to, in consultation with the Treasurer and upon the advice of the Attorney General and Bond Counsel, make determinations in the Series Certificate regarding the procedures relating to the receipt, deposit and expenditure of the payments received from the United States government for Build America Bonds in accordance with the federal tax laws. This authorization was given with respect to any Build America Bonds issued under this resolution, as well as with respect to any previously issued Build America Bonds.

Executive Director Hanson also noted that the Reimbursement Agreement was only made available at the board meeting because it was still being negotiated with J.P. Morgan Chase Bank who is providing the Letter of Credit. The Letter of Credit is necessary to support the issue of variable rate demand bonds. He stated that the agreement provided to the board was in a form that is acceptable to the State and the Authority. It is understood that J.P. Morgan is in general agreement with the reimbursement agreement but final sign off was not yet obtained. The provisions not finalized bracketed.

Executive Director Hanson called upon DAG Aimee Manocchio Nason, NJDOL&PS to discuss the form of reimbursement agreement that was being presented to the board. DAG Nason stated that the reimbursement agreement was in a form that was acceptable to the Authority and the State. This form was also generally acceptable to JP Morgan Chase Bank; however, JP Morgan intended to provide some minor tweaks to the language presented. She then reviewed with the Board the major issues that were under discussion with JP Morgan. These included the delivery of the State's unaudited financial statements if the State's CAFR was not available by April 1st of a fiscal year, the

delivery of a statement of the appropriations received from the State pursuant to the State Contract, a ninety-day cure period for the Authority's failure to deliver the two previous items, the provisions relating to the bank's granting participations and the bank's liability under the reimbursement agreement and letter of credit, and a provision in the letter of credit that if the letter of credit expired during an interruption of business, the Authority would have fifteen days from the resumption of business to draw on the letter of credit.

In response to a question from Commissioner / Chairman Dilts, DAG Nason advised the board that it would not need to ratify changes to the form of reimbursement agreement. Rather, the Twenty-Third Supplemental Resolution authorized an Authorized Authority Official to approve changes to the reimbursement agreement, in consultation with the Treasurer and upon the advice of Bond Counsel and the Attorney General. However, it was agreed that the Executive Director would report to the board how these issues were resolved at the next board meeting.

Public Member Vivian Altman asked Ms. Nancy Feldman, Director, NJ Office of Public Finance what circumstances had prompted the Authority to convert the auction rate securities to fixed rate bonds in September 2008 rather than variable rate bonds. Ms. Feldman responded that due to the extremely tight credit market the Authority was unable to secure a liquidity provider that was necessary to support the variable rate demand bonds the Authority wished to issue. Ms. Feldman also indicated that since the Authority could only secure a Line of Credit for \$150 million of the \$345 million of bonds which originally hedged the 2003 SWAP Agreements, the Office of Public Finance will continue to look for future opportunities to replace the remaining fixed rate bonds with a variable rate product.

After the presentation, there being no further discussion, Commissioner / Chairman Dilts moved the following resolution approving the Twenty-Third Supplemental Transportation System Bond Resolution as distributed at the meeting. Ms. Vivian Altman moved the Resolution.

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Not Exceeding \$1,600,000,000

Transportation System Bonds

TWENTY-THIRD SUPPLEMENTAL TRANSPORTATION SYSTEM BOND RESOLUTION

Adopted July 27, 2009

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NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

TWENTY-THIRD SUPPLEMENTAL

TRANSPORTATION SYSTEM BOND RESOLUTION

Adopted July 27, 2009

BE IT RESOLVED by the Members of the New Jersey Transportation Trust Fund Authority as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS

1.1 Supplemental Resolution.

This Twenty-Third Supplemental Transportation System Bond Resolution (the "Twenty-Third Supplemental Resolution") is supplemental to the 1995 Transportation System Bond Resolution adopted by the Authority on June 15, 1995 (the "Bond Resolution"), as amended and supplemented (the Bond Resolution, as amended and supplemented is hereinafter referred to as the "Resolution").

1.2 Authority for this Twenty-Third Supplemental Transportation System Bond Resolution.

This Twenty-Third Supplemental Resolution is adopted (i) pursuant to the provisions of the New Jersey Transportation Trust Fund Authority Act of 1984, L. 1984, c. 73, as amended and supplemented (the "Act"), and (ii) in accordance with Article II and Article X of the Resolution.

1.3 Definitions.

All capitalized terms used herein and not otherwise defined shall have the same meanings in this Twenty-Third Supplemental Resolution as such terms are given in the Resolution.

In addition, in this Twenty-Third Supplemental Resolution, the following terms shall have the meanings set forth below:

"Accreted Value" shall have the meaning given to such term in the forms of Capital Appreciation Bond and Convertible Capital Appreciation Bond attached hereto and as more particularly described in the Series Certificate for the applicable Series of the Twenty-Third Supplemental Bonds.

"Authorized Authority Official" shall mean the Chairperson of the Authority, the Vice Chairperson of the Authority or the Executive Director of the Authority.

“Bank Bonds” shall mean the Twenty-Third Supplemental Bonds comprised of Variable Interest Rate Bonds, if any, purchased by the provider of a Credit Facility Agreement and held by and for the account of such provider in accordance with the Credit Facility Agreement until remarketed, redeemed or paid in full in accordance therewith.

“Bond Counsel” shall mean Windels Marx Lane & Mittendorf, LLP or another nationally recognized bond counsel firm as may be appointed as bond counsel to the Authority for the purposes herein.

“Bond Purchase Contract” shall have the meaning given to such term in Section 2.4 of this Twenty-Third Supplemental Resolution.

“Capital Appreciation Bonds” shall mean Compound Interest Bonds, as such term is defined in the Bond Resolution.

“Code” shall mean the Internal Revenue Code of 1986, as amended and supplemented, and the regulations promulgated thereunder.

“Compounding Dates” shall have the meaning given to such term in the forms of Capital Appreciation Bond and Convertible Capital Appreciation Bond attached hereto and as more particularly described in the Series Certificate for the applicable Series of the Twenty-Third Supplemental Bonds.

“Convertible Capital Appreciation Bonds” shall mean Compound Interest and Income Bonds, as such term is defined in the Bond Resolution.

“Credit Facility Agreement” shall mean a standby purchase agreement or letter of credit and reimbursement agreement or such other similar type arrangement entered into with a Credit Facility Provider.

“Credit Facility Provider” means the issuer of a Credit Facility Agreement.

“DTC” shall mean The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the Twenty-Third Supplemental Bonds.

“Fixed Interest Rate Bonds” shall mean any Twenty-Third Supplemental Bonds that bear interest at a fixed rate for their term.

“Interest Commencement Date” shall have the meaning given to such term in the form of Convertible Capital Appreciation Bond attached hereto and as more particularly described in the Series Certificate for the applicable Series of Twenty-Third Supplemental Bonds.

“Maximum Interest Rate” shall mean (a), with respect to any Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds that are not Bank Bonds, 12% per annum, and (b) as to Bank Bonds, provided that in the event that any such Twenty-Third Supplemental Bond is held

by a Credit Facility Provider pursuant to the terms of the Credit Facility Agreement, the lesser of (i) 25% per annum or (ii) the maximum rate of interest permitted on the Twenty-Third Supplemental Bonds under applicable law of the State.

“Rule 15c2-12” shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented.

“Senior Manager” shall mean, with respect to the 2009 Series C Bonds, Citigroup Global Markets Inc. and, with respect to any subsequent Series of Twenty-Third Supplemental Bonds, or such other senior managing underwriter as shall be appointed by a subsequent resolution of the Authority.

“Series Certificate” shall mean the Series Certificate to be executed by an Authorized Authority Official in connection with the authorization and sale of the applicable Series of the Twenty-Third Supplemental Bonds pursuant to Section 2.9 of this Twenty-Third Supplemental Resolution.

“Twenty-Third Supplemental Bonds” shall mean the not to exceed \$1,600,000,000 Transportation System Bonds authorized pursuant to Article II of this Twenty-Third Supplemental Resolution.

“Underwriters” shall mean, with respect to each Series of the Twenty-Third Supplemental Bonds, the underwriters named in the Bond Purchase Contract for such Series of the Twenty-Third Supplemental Bonds pursuant to Section 2.4 of this Twenty-Third Supplemental Resolution.

“Variable Rate Documents” shall mean with respect to any Variable Interest Rate Bonds, the Credit Facility Agreement, the Remarketing Agreement and other such documents as may be necessary or appropriate.

“2009 Series C Bonds” shall mean the first Series of Twenty-Third Supplemental Bonds issued pursuant to Article II of this Twenty-Third Supplemental Resolution.

ARTICLE II

AUTHORIZATION OF TWENTY-THIRD SUPPLEMENTAL INDENTURE BONDS

2.1 Designation, Series and Principal Amount.

Pursuant to the provisions of the Resolution, one or more Series of Twenty-Third Supplemental Bonds entitled to the benefit, protection and security of such provisions is hereby authorized to be issued in an aggregate principal amount not exceeding \$1,600,000,000. The Twenty-Third Supplemental Bonds shall be designated as "Transportation System Bonds" and shall be further distinguished by the designation of the year of issue and the letter of the Series, with the first Series being designated "2009 Series C." The Twenty-Third Supplemental Bonds shall be dated the date of issuance and delivery thereof, shall mature on such dates and in such principal amounts, may be issued as (i) Variable Interest Rate Bonds or (ii) Fixed Interest Rate Bonds, including (a) those paying current interest on such dates and at such rates, (b) Capital Appreciation Bonds as to which interest is compounded on each of the applicable Compounding Dates designated for compounding and payable in an amount equal to the then current Accreted Value only at the maturity, earlier redemption or other Payment Date therefore, and/or (c) Convertible Capital Appreciation Bonds as to which the Accreted Value for such Fixed Interest Rate Bonds is compounded on each of the applicable Compounding Dates designated for compounding prior to the Interest Commencement Date for such Convertible Capital Appreciation Bonds and which from and after such Commencement Date, shall bear interest on the Accreted Value thereof at such rates and be payable on such dates, all as shall be determined by an Authorized Authority Official by Series Certificate executed by any one such Authorized Authority Official; provided, however, that in no event shall (i) the true interest cost for the Twenty-Third Supplemental Bonds that are Fixed Interest Rate Bonds exceed 9% per annum; (ii) the final maturity date of any Twenty-Third Supplemental Bonds be later than the latest date permitted under the Act, being thirty-one (31) years from the date of issuance thereof; (iii) the redemption price for any Twenty-Third Supplemental Bond, if expressed as a percentage of the principal amount of such Twenty-Third Supplemental Bond to be redeemed, exceed one hundred three percent (103%) of the principal amount of such Twenty-Third Supplemental Bond, or of the Accreted Value of such Twenty-Third Supplemental Bond, as the case may be; provided, however, that at the option of the Authority, any Twenty-Third Supplemental Bond may be subject to optional redemption pursuant to a "make whole" provision which may exceed one hundred three percent (103%) of the principal amount of such Twenty-Third Supplemental Bond, if and as provided in the Series Certificate; and (iv) the maximum interest rate of any Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds exceed the Maximum Interest Rate. Any Twenty-Third Supplemental Bonds may be issued in one or more sub-Series as may be provided in the Series Certificate.

It is currently contemplated, but not required, that the 2009 Series C Bonds will be issued as Variable Interest Rate Bonds. Based on current market conditions, it is currently contemplated that the total amount of Twenty-Third Supplemental Bonds authorized pursuant

to this Twenty-Third Supplemental Resolution will be sold at various times during this Fiscal Year 2010 based on market conditions at the time of each sale.

2.2 Purposes.

Each Series of the Twenty-Third Supplemental Bonds shall be issued for the purposes of (i) paying State Transportation System Costs and (ii) paying certain costs of issuance of the applicable Series of Twenty-Third Supplemental Bonds.

2.3 Determination in Accordance with Section 9(i) of the Act.

The Authority hereby finds and determines that it has minimized the incurrence of debt by first relying on appropriations and other revenues available to it for its statutory purposes and that such finding and determination and the issuance of the Twenty-Third Supplemental Bonds as aforesaid are and will be in accordance with Section 9(i) of the Act.

2.4 Authorization of Negotiated Sale.

The Authority authorizes the sale of the Twenty-Third Supplemental Bonds on a negotiated basis because the financing involves the sale of a complex financing structure and volatile market conditions, and with respect to the 2009 Series C Bonds, Variable Interest Rate Bonds. Upon recommendation of the Treasurer based upon Treasury's competitive RFP/RFQ process and in accordance with Executive Order No. 26 (Whitman 1994) ("Executive Order No. 26"), the Authority hereby appoints Citigroup Global Markets Inc. as Senior Manager for the 2009 Series C Bonds and, upon recommendation of the Treasurer in accordance with Executive Order No. 26, an Authorized Authority Official is hereby authorized to select additional co-senior managers and co-managers for the 2009 Series C Bonds from the State's approved pools of underwriters in accordance with the pre-determined order of rotation and the rules governing the selection from such pools. In addition, if a co-senior manager or co-manager requests the consent of the Authority to use another firm to provide retail distribution for the 2009 Series C Bonds, an Authorized Authority Official, in consultation with the Treasurer, and upon advice of Bond Counsel, is hereby authorized to execute such consent to the retail distribution arrangement. All such appointment(s) shall be evidenced by the execution of the Bond Purchase Contract(s) (as defined below).

Notwithstanding anything to the contrary contained herein, appointment of a firm to serve as senior manager, co-senior manager or co-manager for the 2009 Series C Bonds does not provide any assurance that such firm will serve as senior manager, co-senior manager or co-manager for any other Series of Twenty-Third Supplemental Bonds authorized to be issued under this Twenty-Third Supplemental Resolution. Such appointments shall be made only in accordance with a subsequent resolution adopted by the Authority.

The purchase of each Series of the Twenty-Third Supplemental Bonds by the Underwriters and the sale of such Twenty-Third Supplemental Bonds by the Authority to the

Underwriters shall be subject to the execution by the Authority and the Senior Manager, as representative of the Underwriters, of a Bond Purchase Contract for the applicable Series of Twenty-Third Supplemental Bonds in substantially the form presented to this meeting. The Bond Purchase Contract, in substantially the form presented to this meeting, is hereby approved, provided that an Authorized Authority Official is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to make such changes and insertions to and deletions and omissions from the form of such Bond Purchase Contract as may be necessary or appropriate in connection with the applicable Series of Twenty-Third Supplemental Bonds. The Authorized Authority Officials are each hereby authorized and directed, in consultation with Bond Counsel and the State Attorney General, to negotiate the terms of the applicable Bond Purchase Contract, to be dated the date of sale of the particular Series of the Twenty-Third Supplemental Bonds, between the Authority and the applicable Senior Manager, as representative of the applicable Underwriters. The Authorized Authority Officials are, and each hereby is, authorized and directed on behalf of the Authority to approve the terms of the Bond Purchase Contract relating to the sale of the applicable Series of Twenty-Third Supplemental Bonds and to execute and deliver such Bond Purchase Contract to the applicable Senior Manager, as representative of the applicable Underwriters, provided that the provisions of such Bond Purchase Contract are acceptable to counsel to the Authority (including Bond Counsel and the State Attorney General) and provided thereafter that (i) the amount of the compensation to be paid to the Underwriters does not exceed (a) \$10.00 per \$1,000.00 of applicable Series of Twenty-Third Supplemental Bonds issued as Fixed Interest Rate Bonds and (b) \$4.00 per \$1,000.00 of applicable Series of Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds, and (ii) the true interest cost, final maturity date and redemption price of the applicable Series of Twenty-Third Supplemental Bonds shall not exceed the limitations set forth in Section 2.1 of this Twenty-Third Supplemental Resolution.

2.5 Approval of the Official Statement.

A form of Preliminary Official Statement (the "Preliminary Official Statement") relating to the sale of the applicable Series of Twenty-Third Supplemental Bonds of each Series shall be in substantially the form presented to this meeting is hereby approved, provided that Appendix I (which is provided by the State) shall be included therein, and provided further that an Authorized Authority Official is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to make such changes and insertions to and deletions and omissions from the form of the Preliminary Official Statement, as may be necessary or appropriate in regard to each applicable Series of Twenty-Third Supplemental Bonds including, but not limited to, the distribution of the Preliminary Official Statement as an Official Statement in the case of Variable Interest Rate Bonds (an "Official Statement"). An Authorized Authority Official is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to execute and deliver a certificate, or to include a provision in the Bond Purchase Contract, that "deems final" the applicable Preliminary Official Statement pursuant to the provisions of Rule 15c2-12, and such certificate or provision relating thereto shall be in a form acceptable to Bond Counsel and the State Attorney General.

2.6 Authorization of the Printing and Distribution of the Official Statement.

The printing and distribution of the applicable Preliminary Official Statement or final Official Statement by an Authorized Authority Official in connection with the sale of the applicable Series of Twenty-Third Supplemental Bonds, with such changes, insertions, deletions and omissions in such Preliminary Official Statement or Official Statement as the Authorized Authority Official authorized to print and distribute the same shall approve, with the advice of Bond Counsel and the State Attorney General, is hereby authorized. Any Authorized Authority Official is further authorized and directed to take all such other actions as such Authorized Authority Official shall deem necessary or desirable to effect a public sale of the applicable Series of Twenty-Third Supplemental Bonds.

2.7 Approval of Continuing Disclosure Agreement.

A Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") relating to the sale of the applicable Series of Twenty-Third Supplemental Bonds in substantially the form presented to this meeting, is hereby approved, provided that an Authorized Authority Official is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to make such changes and insertions to and deletions and omissions from the form of the Continuing Disclosure Agreement as may be necessary or appropriate. The Authorized Authority Officials are hereby authorized and directed, with the advice of Bond Counsel and the State Attorney General, to enter into and execute a Continuing Disclosure Agreement with the Treasurer and the Trustee relating to each Series of Twenty-Third Supplemental Bonds and to execute such documents and instruments relating to continuing disclosure as may be necessary or desirable to enable brokers, dealers and municipal securities dealers to comply with Rule 15c2-12; provided, an Authorized Authority Official may determine not to enter into a Continuing Disclosure Agreement in connection with any Series of Twenty-Third Supplemental Bonds that are Variable Interest Rate Bonds if such Authorized Authority Official is advised by Bond Counsel and the State Attorney General that the Authority is not required to do so.

2.8 Approval of Documents in connection with Variable Interest Rate Bonds.

(a) The Twenty-Third Supplemental Bonds may be issued as Fixed Interest Rate Bonds and/or Variable Interest Rate Bonds. It is currently contemplated, but not required, that the 2009 Series C Bonds will be issued as Variable Interest Rate Bonds. In the event that any Twenty-Third Supplemental Bonds, including the 2009 Series C Bonds, are issued as Variable Interest Rate Bonds, an Authorized Authority Official is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to execute and deliver the applicable Variable Rate Documents in customary form, provided that an Authorized Authority Official, in consultation with the Treasurer, is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to make such changes and insertions and deletions from such forms as may be necessary or appropriate. The Authorized Authority Officials are each hereby authorized and directed, in consultation with Bond Counsel and the State Attorney General, to negotiate the terms of any Variable Rate Documents. The Authorized Authority Officials are, and each such Authorized Authority Official is, hereby authorized and directed on behalf of the

Authority to approve the terms of any Variable Rate Documents; provided, that the provisions of such Variable Rate Documents are acceptable to counsel to the Authority (including Bond Counsel and the State Attorney General).

(b) As a supplement to the above authorization, with respect to the 2009 Series C Bonds, the Authority hereby appoints JP Morgan Chase Bank, National Association as the Credit Facility Provider for \$150,000,000 principal amount of 2009 Series C Bonds and authorizes an Authorized Authority Official, with the advice of Bond Counsel and the State Attorney General, to execute and deliver a Credit Facility Agreement in substantially the form presented to this meeting (which form is hereby approved) with such changes, insertions to and deletions and omissions from such form as may be necessary and appropriate, as determined by an Authorized Authority Official, in consultation with the Treasurer, and with the advice of Bond Counsel and the State Attorney General.

(c) In addition, the Authority hereby appoints Citigroup Global Markets Inc. as Remarketing Agent for the 2009 Series C Bonds and authorizes an Authorized Authority Official, with the advice of Bond Counsel and the State Attorney General, to execute and deliver a Remarketing Agreement in substantially the form presented to this meeting (which form is hereby approved) with such changes, insertions to and deletions and omissions from such form as may be necessary and appropriate. The Authority also appoints the Trustee as Tender Agent for the 2009 Series C Bonds.

2.9 [INTENTIONALLY OMITTED]

2.10 Authorization of Swap Agreement(s); Solicitation and Receipt of Proposals and Award of Swap Agreements; Authorization of ISDA Master Agreements and/or Confirmations.

(a) An Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, is hereby authorized to enter into one or more Swap Agreements as defined in Section 101 of the Bond Resolution, if such Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, determines that it is advantageous to the Authority to do so, provided that (i) the notional amount of any such Swap Agreement shall not exceed the principal amount of the Series of Twenty-Third Supplemental Bonds in connection with which such Swap Agreement is being entered into, (ii) the final maturity of any such Swap Agreement shall not be later than the final maturity of the Series of Twenty-Third Supplemental Bonds in connection with which such Swap Agreement is being entered into, (iii) the fixed rate, if any, payable by the Authority under any such Swap Agreement shall not exceed 8.5%, and (iv) unless otherwise collateralized to the satisfaction of an Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, the ratings of the long term unsecured and unenhanced senior debt of the Swap Provider of any Swap Agreement shall be equal to or higher than at least two of the following ratings: (A) with respect to Moody's: "Aa3"; (B) with respect to S&P: "AA-"; and (C) with respect to Fitch: "AA-" or such other ratings as may be required pursuant to the State's swap policy as in effect from time to time, provided that any collateral posted by a Swap Provider for a Swap Agreement where the Swap Provider does not meet such minimum rating requirement shall

consist of cash, debt obligations of the United States Treasury Department, negotiable debt obligations which are issued and/or guaranteed by the United States Government, including bonds issued or guaranteed by the Government National Mortgage Association ("GNMA"), including mortgage-backed securities and REMICs, but excluding interest only securities, principal only securities and residual interests or other marketable securities which shall be valued, for purposes of such Swap Agreement, at the amount thereof in the case of cash and at not more than 99% of the market price thereof in the case of any other securities.

(b) An Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, is further authorized to solicit and receive proposals, based upon a competitive RFP/RFQ process and in accordance with applicable law, for a Swap Agreement and, subject to the limitations set forth in paragraph (a) of this Section 2.10, to award such Swap Agreement to the Swap Provider which offers terms most favorable to the Authority, or in such other manner as such Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, shall determine, if, in the judgment of such Authorized Authority Official, based on other factors (including credit quality), such other manner is more advantageous to the Authority.

(c) An Authorized Authority Official, with the advice of Bond Counsel and the State Attorney General, is further authorized to execute such documents, instruments and papers, including but not limited to one or more ISDA master agreements and confirmations thereunder or under existing ISDA master agreements, or amendments thereto, in customary forms, as may be necessary or advisable in conjunction with the Swap Agreements.

2.11 Additional Proceedings.

As additional proceedings of the Authority in connection with the sale, issuance and delivery of each Series of the Twenty-Third Supplemental Bonds hereby authorized, there is hereby delegated to the Authorized Authority Officials the power to take the following actions and make the following determinations as to each Series of the Twenty-Third Supplemental Bonds by executing and delivering a Series Certificate of any one such Authorized Authority Official, provided that the final terms and conditions of each Series of the Twenty-Third Supplemental Bonds as set forth in the Series Certificate shall be subject to the written approval of the Treasurer.

(a) To determine, subject to the provisions of this Twenty-Third Supplemental Resolution, the series designation(s), respective principal amounts, maturities, interest rate or rates or yield to maturity or to Interest Commencement Date, or the method of determining such rate or rates, redemption provisions, and the denomination or denominations of the Twenty-Third Supplemental Bonds, and any other provisions necessary to comply with the Resolution or deemed necessary or advisable by such Authorized Authority Official, including the procedures relating to tenders and remarketing and other similar arrangements of Variable Interest Rate Bonds, and which provisions are not in conflict with or in substitution for the provisions of the Resolution or the Act.

(b) To acknowledge receipt of prior approval letters of the Governor and the Treasurer as required by Section 9(a) of the Act approving the adoption by the Authority of this Twenty-Third Supplemental Resolution and the issuance of the applicable Series of the Twenty-Third Supplemental Bonds.

(c) To purchase one or more policies of municipal bond insurance with respect to any or all of the maturities of the applicable Series of the Twenty-Third Supplemental Bonds if an Authorized Authority Official determines that such policy or policies of municipal bond insurance are necessary or desirable to achieve the economic objectives of the Authority, to include in the Series Certificate for such Series of the Twenty-Third Supplemental Bonds such provisions relating to the municipal bond insurance policy or policies as such Authorized Authority Official, with the advice of Bond Counsel and the State Attorney General, deems appropriate and to include on the form of any Twenty-Third Supplemental Bond which is insured by a municipal bond insurance policy a statement of insurance in the form requested by the issuer of such municipal bond insurance policy. The cost of any such commitment, if any, may be paid from the proceeds of the applicable Series of the Twenty-Third Supplemental Bonds.

(d) To execute a final Official Statement of the Authority, dated the date of sale of each Series of the Twenty-Third Supplemental Bonds, substantially in the form of the Preliminary Official Statement for such Series of the Twenty-Third Supplemental Bonds, if any, with such insertions, revisions, deletions and omissions as may be authorized by the Authorized Authority Official executing the same, with the advice of Bond Counsel and the State Attorney General, and to deliver such final Official Statement to the Underwriters and to authorize the use of such final Official Statement and the information contained therein in connection with the offering and sale of such Series of the Twenty-Third Supplemental Bonds.

(e) To determine the application of the proceeds of the applicable Series of the Twenty-Third Supplemental Bonds, subject to Section 2.14 of this Twenty-Third Supplemental Resolution.

(f) To select and appoint a firm to serve as bidding agent to solicit bids, to enter into or to purchase Investment Securities with proceeds of the applicable Series of the Twenty-Third Supplemental Bonds from the pool of bidding agents established by the State through a competitive RFP/RFQ process in accordance with the rules governing selection from the pool, in the event that such Authorized Authority Official determines that it is advantageous to the Authority to invest any proceeds of the applicable Series of the Twenty-Third Supplemental Bonds in such Investment Securities.

(g) Upon recommendation of the State Treasurer based upon Treasury's competitive RFP/RFQ process and in accordance with Executive Order No. 26, (i) to select one or more remarketing agents, if necessary, for any Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds from the State's approved pool of remarketing agents in accordance with the rules governing selection from the pool; and (ii) to negotiate, approve the terms of, execute and deliver remarketing agreements with such remarketing agents in substantially the form approved hereby pursuant to Section 2.8(b), provided that such Authorized Officer is hereby authorized, with the advice of Bond Counsel and the State

Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate, and provided further that the amount of the compensation to be paid to the remarketing agent does not exceed \$1.20 per \$1,000.00 of applicable Series of the Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds.

(h) To select one or more Credit Facility Providers and to obtain one or more Credit Facility Agreements in substantially the form approved hereby pursuant to Section 2.8(b), providing for credit enhancement and/or purchase upon tender of any Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds for which a Credit Facility Agreement is required or may be provided at the option of the Authority, based upon a competitive RFP/RFQ process in furtherance of Executive Order No. 26 and Executive Order No. 37 (Corzine 2006), to provide funds for the payment of the purchase price of and interest on each such Twenty-Third Supplemental Bonds which are converted upon exercise of applicable optional and mandatory tender rights, upon such terms and conditions as the Authorized Authority Officials shall determine, which, based on all factors (including lowest rate, credit quality or proposed terms and conditions), is most advantageous to the Authority; provided, however, that (1) any Credit Facility Provider so selected shall have a long-term rating by any two of the Rating Agencies equal to or higher than Aa3 from Moody's and AA- from S&P and from Fitch, or a short-term rating by any two of the Rating Agencies of VMIG-1 or P-1 from Moody's, A-1 from S&P and F-1 from Fitch; and (2) (A) the interest rate on the Twenty-Third Supplemental Bonds purchased by the Credit Facility Provider shall not exceed the Maximum Interest Rate; (B) the term of the Credit Facility Agreement shall not exceed seven (7) years; and (C) the term-out period for the Authority to repay amounts payable under the Credit Facility Agreement shall not be less than three (3) years. Each Credit Facility Agreement shall constitute a Financing Facility under the Resolution, and all payment and reimbursement obligations of the Authority under each Credit Facility Agreement shall constitute Financing Facility Payment Obligations for purposes of the Resolution.

(i) To negotiate, execute, deliver and perform the Variable Rate Documents, as and if necessary.

(j) To solicit and receive proposals for a Swap Agreement(s) and, subject to the limitations set forth in Section 2.10, to award such Swap Agreement(s) to the Swap Provider(s) which offers terms most favorable to the Authority, or in such other manner as such Authorized Authority Official, in consultation with the Treasurer and the State's swap advisor, shall determine, if, in the judgment of such Authorized Authority Official, based on other factors (including credit quality), such other manner is more advantageous to the Authority.

(k) Prior to the issuance of an applicable Series of Twenty-Third Supplemental Bonds, to make such revisions to this Twenty-Third Supplemental Resolution as may be requested by any Rating Agency in connection with its respective rating of the applicable Series of Twenty-Third Supplemental Bonds, or by any Insurer or issuer of any municipal bond insurance policy insuring any of the Twenty-Third Supplemental Bonds or a Credit Facility Provider under a Credit Facility Agreement, provided that such revisions, if any, shall be set forth in the Series Certificate.

(l) In light of changing market conditions, in order to issue the Twenty-Third Supplemental Bonds on terms most favorable to the Authority, in addition to all other matters authorized in this Twenty-Third Supplemental Resolution, the Authorized Authority Officials, in consultation with the Treasurer, are authorized to make such other determinations, to execute such other documents, instruments and agreements and to do such other acts and things as may be necessary or advisable in order to issue the applicable Series of Twenty-Third Supplemental Bonds or as may be appropriate based on a change in market conditions, including, but, not limited to, determining to issue Twenty-Third Supplemental Bonds as "Build America Bonds" in accordance with the Code, provided that any such other determinations, documents, instruments and agreements, acts and things shall be in furtherance of, and not conflict with, the provisions of this Twenty-Third Supplemental Resolution. Any and all actions heretofore taken by the Authorized Authority Officials in connection with the issuance of the applicable Series of Twenty-Third Supplemental Bonds are hereby ratified.

(m) In the event an Authorized Officer, in consultation with the State Treasurer, determines that advertising is necessary in connection with the sale and issuance of the applicable Series of Twenty-Third Supplemental Bonds, (i) to solicit and purchase advertising, including, but not limited to, retaining the services of an advertising consultant to assist the Authority, pursuant to applicable processes in accordance with State law or (ii) to direct the Underwriters to obtain such advertising and advertising consultant on behalf of the Authority; provided that any fees and expenses for such advertising or advertising consultant shall not exceed \$250,000; and provided further that any such fees and expenses incurred by the Underwriters under (ii) shall be payable from the Underwriters' compensation as determined pursuant to Section 2.4 of this Supplemental Resolution.

(n) In accordance with the issuance of "Build America Bonds" issued under the authorization of this Twenty-Third Supplemental Resolution or the "Twenty-Second Supplemental Transportation System Bond Resolution" adopted by the Authority on October 28, 2008, to provide, in consultation with the Treasurer, the Attorney General and Bond Counsel, for procedures relating to the receipt, deposit and expenditure of the payments from the United States as permitted by the Code, including, but not limited to, the establishment of funds and accounts for the deposit of such amounts and the procedures for the payment of debt service on the applicable "Build America Bonds" or reimbursement of funds and accounts used for such purpose, all in accordance with the provisions of the Code. This approval also permits the supplementation of the series certificate delivered in accordance with any "Build America Bonds" issued pursuant to the Twenty-Second Supplemental Resolution, in consultation with the Treasurer, The Attorney General and Bond Counsel.

(o) To make such other determinations, to execute such other documents, instruments and papers and to do such acts and things as may be necessary or advisable in connection with the issuance, sale and delivery of, and security for, the applicable Series of Twenty-Third Supplemental Bonds and are not inconsistent with the provisions of this Twenty-Third Supplemental Resolution or the Act.

All matters determined by an Authorized Authority Official under the authority of this Twenty-Third Supplemental Resolution shall constitute and be deemed matters incorporated

into this Twenty-Third Supplemental Resolution and approved by the Authority, and whenever an Authorized Authority Official is authorized, directed or delegated the power to take or refrain from taking any action pursuant to this Twenty-Third Supplemental Resolution with or upon the advice, consent or consultation with or by any other person, agency, office or official, a certificate of such Authorized Authority Official may be relied upon as being determinative that such advice, consultation or consent has in fact occurred and that such actions or omissions of the Authorized Authority Official are valid and binding.

2.12 Denomination, Numbers and Letters.

The Twenty-Third Supplemental Bonds may be issued as Fixed Interest Bonds, Capital Appreciation Bonds, Convertible Capital Appreciation Bonds, or Variable Interest Rate Bonds or any combination thereof. The Twenty-Third Supplemental Bonds issued as Fixed Interest Rate Bonds shall be issued in fully registered form in denominations or, in the case of Capital Appreciation Bonds, Accreted Value at maturity, or in the case of Convertible Capital Appreciation Bonds, Accreted Value at conversion, of \$5,000, or any integral multiple of \$5,000. The Twenty-Third Supplemental Bonds issued as Variable Interest Rate Bonds shall be issued in fully registered form in denominations of \$100,000, or any integral multiple of \$100,000. Unless the Authority shall otherwise direct, the Twenty-Third Supplemental Bonds of each Series shall be lettered and numbered from one upward preceded by the letter "R" pre-fixed to the number. Subject to the provisions of the Resolution, the form of the Twenty-Third Supplemental Bonds and the Trustee's certificate of authentication therefor shall be substantially in the form set forth in the Series Certificate.

2.13 Redemption.

The Twenty-Third Supplemental Bonds of each Series may be subject to redemption prior to maturity as provided in the Series Certificate.

2.14 Application of Proceeds of the Twenty-Third Supplemental Bonds.

The proceeds of the applicable Series of the Twenty-Third Supplemental Bonds shall be applied simultaneously with the delivery of each Series thereof as follows:

(a) In the event an Authorized Authority Official determines to purchase one or more policies of municipal bond insurance and/or commitments for municipal bond insurance as authorized pursuant to Section 2.11(c) hereof or enter into a Credit Facility Agreement pursuant to Section 2.11(h) hereof, there shall be sent by wire transfer directly from the Senior Manager to the provider of the such policy or policies of municipal bond insurance or Credit Facility Provider, an amount as shall be specified in the applicable Series Certificate constituting the premium for such policy or policies or credit facility fees, as applicable;

(b) There shall be deposited in the Transportation Improvement Fund established under the Resolution in a special account hereby established therein with respect to each applicable Series of Twenty-Third Supplemental Bonds, to be known as the "[Year] Series [Letter Designation] Bonds Transportation Improvement Account," which may be

combined with any other moneys in the Transportation Improvement Fund for purposes of investment, such amount as may be designated by an Authorized Authority Official to be applied to the payment of State Transportation System Costs, including the costs of issuance of the applicable Series of Twenty-Third Supplemental Bonds, as specified in the applicable Series Certificate.

ARTICLE III

OTHER MATTERS RELATING TO THE TWENTY-THIRD SUPPLEMENTAL BONDS

3.1 Book-Entry Only System.

(1) Except as provided in Subparagraph (3) of this Section 3.1, the registered Holder of all of the Twenty-Third Supplemental Bonds shall be, and the Twenty-Third Supplemental Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. With respect to Twenty-Third Supplemental Bonds for which Cede & Co. shall be the registered Holder, payment of interest on such Twenty-Third Supplemental Bonds shall be made by wire transfer of same day funds to the account of Cede & Co. on the Interest Payment Dates for the Twenty-Third Supplemental Bonds at the address indicated for Cede & Co. in the registration books of the Authority kept by the Trustee, as Bond Registrar.

(2) The Twenty-Third Supplemental Bonds of each Series shall be initially issued in the form of a separate fully registered bond in the amount of each separate maturity. If, however, the aggregate principal amount of any maturity of the Twenty-Third Supplemental Bonds of each Series exceeds \$500 million, one Bond Certificate of such maturity will be issued with respect to each \$500 million of principal amount, and an additional Bond Certificate shall be issued with respect to any remaining principal amount of such maturity. Upon initial issuance, the ownership of each such Twenty-Third Supplemental Bond shall be registered on the registration books of the Authority kept by the Trustee in the name of Cede & Co. With respect to Twenty-Third Supplemental Bonds so registered in the name of Cede & Co., the Authority and the Trustee shall have no responsibility or obligation to any DTC participant, indirect DTC participant, or any beneficial owner of a Twenty-Third Supplemental Bond. Without limiting the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC participant or indirect DTC participant with respect to any beneficial ownership interest in a Twenty-Third Supplemental Bond, (ii) the delivery to any DTC participant, indirect DTC participant, beneficial owner or any other person, other than DTC or Cede & Co., of any notice with respect to a Twenty-Third Supplemental Bond, or (iii) the payment to any DTC participant, indirect DTC participant, beneficial owner or any other person, other than DTC or Cede & Co., of any amount with respect to the principal of, redemption premium, if any, or interest on a Twenty-Third Supplemental Bond. The Authority and the Trustee may treat DTC as, and deem DTC to be, the absolute registered Holder of each Twenty-Third Supplemental Bond for the purpose of (i) payment of the principal of, redemption premium, if any, and interest on each such Twenty-Third Supplemental Bond, (ii) giving notices with respect to the Twenty-Third Supplemental Bond, (iii) registering transfers with respect to a Twenty-Third Supplemental Bond and (iv) for all other purposes whatsoever. The Trustee shall pay the principal of, redemption premium, if any, and interest on each Twenty-Third Supplemental Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to such principal and interest to the extent of the sum or sums so paid. No person other than DTC shall receive a Twenty-

Third Supplemental Bond evidencing the obligation of the Authority to make payments of principal and interest thereon pursuant to this Twenty-Third Supplemental Resolution. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the words "Cede & Co." in this Twenty-Third Supplemental Resolution shall refer to such new nominee of DTC.

(3) (a) DTC may determine to discontinue providing its services with respect to a particular Series of Twenty-Third Supplemental Bonds at any time by giving written notice to the Authority and discharging its responsibilities with respect thereto under applicable law. Upon receipt of such notice, the Authority shall promptly deliver a copy of same to the Trustee.

(b) The Authority, (i) in its sole discretion and without the consent of any other person, may discontinue the use of book-entry-only transfer through DTC (or a successor securities depository) with respect to the Twenty-Third Supplemental Bonds of such Series, in which event certificates for such Twenty-Third Supplemental Bonds shall be printed and delivered to DTC, and (ii) shall terminate the services of DTC with respect to a particular Series of Twenty-Third Supplemental Bonds of such Series upon receipt by the Authority and the Trustee of written notice from DTC to the effect that DTC has received written notice from DTC participants or indirect DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Twenty-Third Supplemental Bonds of such Series to the effect, that (A) DTC is unable to discharge its responsibilities with respect to such Twenty-Third Supplemental Bonds; or (B) a continuation of the requirement that all of the Outstanding Twenty-Third Supplemental Bonds of such Series be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Twenty-Third Supplemental Bonds of such Series.

(c) Upon the termination of the services of DTC with respect to the Twenty-Third Supplemental Bonds of a Series pursuant to subsection 3.1(3)(b)(ii)(A) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Twenty-Third Supplemental Bonds of such Series pursuant to subsection 3.1(3)(a) or 3.1(3)(b)(ii)(B) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, such Twenty-Third Supplemental Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging such Twenty-Third Supplemental Bonds shall designate, in accordance with the provisions of the Resolution. Upon the determination by any party authorized herein that the Twenty-Third Supplemental Bonds of such Series shall no longer be limited to book-entry only form, the Authority shall immediately advise the Trustee in writing of the procedures for transfer of such Twenty-Third Supplemental Bonds from such book-entry only form to a fully registered form.

(4) Notwithstanding any other provision of this Twenty-Third Supplemental Resolution to the contrary, so long as any Twenty-Third Supplemental Bond is registered in the

name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, redemption premium, if any, and interest on, and all notices with respect to, such Twenty-Third Supplemental Bond shall be made and given, respectively, to DTC as provided in the Letter of Representations of the Authority and the Trustee, addressed to DTC, with respect to the applicable Series of Twenty-Third Supplemental Bonds.

(5) In connection with any notice or other communication to be provided to holders of the Twenty-Third Supplemental Bonds of any Series pursuant to the Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by such Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

(6) The Authority hereby authorizes the State Treasurer, by and on behalf of the Authority, and in consultation with an Authorized Authority Official, to determine from time to time, subject to confirmation and ratification by the Authority, whether or not it is advisable for the Authority to continue the book-entry system or to replace DTC with another qualified securities depository as successor to DTC.

3.2 Form of Bonds and Trustee's Certificate of Authentication.

Subject to the provisions of the Resolution, the forms of the Twenty-Third Supplemental Bonds and the Trustee's Certificate of Authentication therefor shall be in substantially the form set forth in the Bond Resolution and as more particularly set forth in the applicable Series Certificate.

3.3 Registration or Qualification of Bonds Under Blue Sky Laws of Various Jurisdictions.

The Authorized Authority Officials are authorized and directed on behalf of the Authority to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of each Series of Twenty-Third Supplemental Bonds for issue, offer, sale or trade under the blue sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports (except consents to service of process in any jurisdiction outside the State) and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters for such securities.

3.4 Payments from Authority Reserve Fund.

Notwithstanding any provision of the Resolution to the contrary, any amounts paid from the Authority Reserve Fund in accordance with the Tax Certificate of the Authority concerning

the Code which shall accompany the original issuance and delivery of each Series of Twenty-Third Supplemental Bonds shall be deemed operating expenses for purposes of Section 509 of the Resolution and the Authority may provide therefore in its Annual Budget.

3.5 Effective Date.

The Twenty-Third Supplemental Resolution shall take effect upon its adoption in accordance with the Act, but this Twenty-Third Supplemental Resolution shall not become effective and no action shall be taken hereunder unless and until (i) the Chairperson or the Executive Director of the Authority shall have received the written approval of the Governor and the State Treasurer as required pursuant to Section 9 of the Act, and (ii) a copy of this Twenty-Third Supplemental Resolution, certified by an Authorized Authority Official, shall be filed with the Trustee, along with the opinion of Bond Counsel required by Article X of the Resolution.

The above resolution was seconded by Mr. Joseph Ripa. The members were polled with all members being in favor, and no members were in opposition; therefore, the motion was carried.

As the third item of business, (Agenda Package, Item / Tab E) approval of the resolution authorizing the Costs of Issuance relating to 2009 Series C Bonds, Commissioner/Chairman Dilts asked Mr. Hanson to advise the Board to summarize the Cost of Issuance. Mr. Hanson stated that the Cost of Issuance on this deal is \$450,000. A good part of this amount is for the normal rating agencies fees, various Attorneys' fees and parties that are involved with this deal. There is nothing abnormal about any of the costs. Mr. Hanson said if anyone has any questions, he could answer them. Mr. Briant asked if the amount was about a third of a percent of the loan and Mr. Hanson nodded.

Commissioner / Chairman Dilts asked if there were any further questions on the issue and requested a motion to adopt the Cost of Issuance. Mr. Robert Briant moved the following resolution:

RESOLUTION AUTHORIZING THE PAYMENT OF COSTS OF ISSUANCE
IN CONNECTION WITH THE SALE OF THE
NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY'S
TRANSPORTATION SYSTEM BONDS, 2009 SERIES C BONDS

WHEREAS, by virtue of the provisions of the New Jersey Laws of 1984, as amended (the "Act"), N.J.S.A. 27:1B-1 *et seq.*, the New Jersey Transportation Trust Fund Authority (the "Authority") is authorized to issue its bonds, notes and other obligations (collectively, the "Obligations") from time to time and to sell such Obligations at public or private sale at a price or prices and in a manner as the Authority shall determine; and

WHEREAS, the Authority has determined at its meeting on July 27, 2009 to authorize the issuance of its Transportation System Bonds, in an aggregate principal amount not to exceed \$1,600,000,000 for the purpose of financing State transportation system costs and in particular its Transportation System Bonds, 2009 Series C in an aggregate principal amount not to exceed \$150,000,000 (the "2009 Series C Bonds"); and

WHEREAS, in connection with the issuance of the 2009 Series C Bonds, it will be necessary for the Authority to incur various costs of issuance ("Costs of Issuance") as described in Exhibit "A" attached; and

WHEREAS, the Authority has determined that the Costs of Issuance should be approved for payment upon completion of the issuance of the 2009 Series C Bonds;

NOW, THEREFORE, BE IT RESOLVED, that:

1. The Costs of Issuance as described in Exhibit "A" attached are hereby approved for payment upon the issuance of the 2009 Series C Bonds in an amount not in excess of ten percent (10%) of each of the amounts shown.
2. The Executive Director is hereby authorized to take and do any and all acts and things as may be necessary in connection with the payment of such Costs of Issuance.
3. This Resolution shall take effect upon adoption in accordance with the Act.

EXHIBIT "A"

TRANSPORTATION SYSTEM BONDS, 2009 SERIES C

<u>Service</u>	<u>Firm</u>	<u>Fee</u>
Ratings	Standard & Poor's	100,000
Ratings	Moody's Investors Service	100,000
Bond Counsel	Windels Marx Lane & Mittendorf, LLP	\$65,000
Printer	Bowne of Philadelphia	50,000
Letter of Credit	King & Spalding;	50,000
Provider Counsel	Wilentz, Goldman and Spitzer	
Structuring Fee	Office of Public Finance	50,000
Miscellaneous	<i>TBD</i>	25,500
Trustee's Counsel	Gluck Walrath LLP	5,000
Trustee	TD Bank, NA	4,500
	Total:	\$450,000

The above resolution was seconded by Ms. Vivian Altman. The members were polled with all members being in favor and no members were in opposition; therefore, the motion was carried.

Commissioner / Chairman Dilts moved on to the fourth item of business (Agenda Package, Item / Tab F), approval of the resolution to appoint members to the New Jersey Transportation Trust Fund Authority Evaluation Committee.

Commissioner / Chairman Dilts asked Mr. Hanson to update the Board on the status of the current contract with Mercadien to audit our financial statements and the need to appoint new members of the Evaluation Committee which will solicit requests for proposals for an auditor for the Authority, review the proposals and make a recommendation to the Audit Committee. Mr. Hanson stated the current auditor Mercadien has a three year contract, one year with the option to extend for two more. They are working on the final audit which is for fiscal year 2009. The Authority will need to start the process for fiscal year 2010 because it is a long process. The Evaluation Committee must issue the RFP, score the responses, and submit a report to the Audit Committee. The Audit Committee then reports to the full Authority. The process is stated in the Executive Orders. The Authority is being asked to nominate people to serve on the Evaluation Committee which will issue the RFP and score the responses. Mr. Hanson concluded by stating that at least three people need to serve on committee.

Commissioner / Chairman Dilts asked Mr. Hanson if there were any recommendations. Mr. Hanson stated that he recommended Alemnesh Tessema, Manager, Bureau of Internal Audit, serve on the Committee. Mr. Hanson said that she has agreed to represent the Chairman / Commissioner as NJDOT's representative on the Committee. Ms. Tessema has extensive experience with auditing and is a volunteer. Mr. Briant asked if people who are on the Audit Committee and could also be a member of the NJTTFa Audit Committee. Mr. Hanson replied that he believed that an individual could be a member of both Committees. He noted that the Executive Order does not state that a person cannot be on both committees. Due to the small number of Public Members in the past, the Authority had to do it that way. It would probably be preferable if they were totally independent. Ms. Vivian Altman volunteered to be a member of the evaluation committee. Commissioner / Chairman Dilts thanked Ms. Altman and asked if there was a requirement of the third member being a board member or can it be others; how open and inclusive is this committee. Ex-Officio Member, Treasurer Rousseau's Designee, Steve Petrecca volunteered to be the final member of the committee. Commissioner / Chairman Dilts thanked Mr. Petrecca.

Commissioner/ Chairman Dilts requested a motion to adopt the nominations to the Evaluation Committee. Mr. Robert Briant moved the following resolution:

WHEREAS, the Transportation Trust Fund Authority (the "Authority") was established pursuant to the New Jersey Transportation Trust Fund Authority Act of 1984, as amended, N.J.S.A. 27:1B-1 et seq., ("Act"); and

WHEREAS, pursuant to Section 17 of the New Jersey Transportation Trust Fund Authority Act of 1984, as amended (the "Act"), N.J.S.A. 27:1B-1 et seq., the Authority is required to conduct an annual audit of its affairs and deliver a written report with respect to such audit to the Legislature and the Governor; and

WHEREAS, the Authority requires the services of a professional accounting firm with respect to the preparation of such audit; and

WHEREAS, the current contract with Mercadien, P.C. for auditing services terminates with completion of the Fiscal Year 2009 audit currently in process; and

WHEREAS, the Authority seeks to engage a qualified professional accounting firm to audit its financial statements for Fiscal Year 2010 with the option to perform the audits for Fiscal Year 2011 and Fiscal Year 2012; and

WHEREAS, on July 23, 2004, Governor McGreevey issued Executive Order No. 122 which requires the governing body of a State authority to establish an Evaluation Committee and sets forth certain duties and obligations of the Evaluation Committee; and

WHEREAS, the Authority amended its By-laws to establish an Evaluation Committee in compliance with E.O. 122 (McGreevey 2004); and

WHEREAS, there are currently vacancies on the Evaluation Committee; and

WHEREAS, the Authority desires to appoint individuals to serve on the Evaluation Committee in compliance with the requirements of E.O. 122 (McGreevey 2004), two of whom shall be members of the Board;

NOW, THEREFORE, BE IT RESOLVED that:

1. The Authority hereby appoints the following three individuals to serve on the Evaluation Committee in accordance with Article VI of the By-laws who shall serve until such time as their successors are appointed. The individuals are:

- 1) Alemnesh Tessema, NJDOT
- 2) Vivian Altman, Public Member NJTTFA
- 3) Steve Petrecca, Ex-Officio Member,
Designee for the Treasurer

2. The Evaluation Committee will publish a Request for Proposal for Audited Financial Statements, evaluate the responses, and provide recommendations to the Audit Committee by January 1, 2010.
3. This Resolution shall take effect upon adoption in accordance with the Act.

The above resolution was seconded by Mr. Joseph Ripa. The members were polled with all members being in favor, and no members were in opposition; therefore, the motion was carried.

Finally, Commissioner / Chairman Dilts asked the Board if there were any other issues to be discussed or any public comment. There being no further business coming from the Authority, Commissioner / Chairman Dilts requested a motion to adjourn the meeting. Mr. Briant moved that the July 27, 2009 meeting of the New Jersey Transportation Trust Fund Authority be adjourned, and Mr. Ripa seconded the motion, all members were in favor with no members opposed, and the motion was carried.

The New Jersey Transportation Trust Fund Authority meeting ended at approximately 2:35 P.M.

Respectfully Submitted,

Michelle E. Saupe'
Authority Secretary