

# Attachment B: Key Indenture Covenants

|  | Senior Bonds   | Subordinate Bonds   |
|--|--|---|
| <b>Rate covenants</b>                  | <p>Requires increase to tolls in certain instances:</p> <ul style="list-style-type: none"> <li>• Net Revenue divided by Fixed Charges, Subordinated Maintenance Expenditures and Subordinate Obligations Payments is less than 1.0; <i>or</i></li> <li>• Net Revenue and Funds in O&amp;M Fund divided by Fixed Charges is less than 1.25; <i>or</i></li> <li>• Net Revenue divided by Annual Debt Service is less than 1.20.</li> </ul> | <ul style="list-style-type: none"> <li>• Requires tolls at rates projected to generate sufficient Revenue to pay amounts due on all Senior and Subordinate Bonds and Parity Obligations</li> <li>• Maintain Available Revenue sufficient for 1.20x coverage on aggregate Debt Service</li> </ul>  |
| <b>Additional new money bonds test</b> | <p>Additional new money senior bonds allowed if either:</p> <ul style="list-style-type: none"> <li>• Net Revenue for most recent fiscal year divided by MADS is not less than 1.50; <i>or</i></li> <li>• Projected Net Revenue for the next three FYs divided by MADS will not be less than 1.50</li> </ul>  | <p>Additional new money subordinate bonds allowed if either:</p> <ul style="list-style-type: none"> <li>• Available Revenue for most recent fiscal year divided by MADS is not less than 1.20; <i>or</i></li> <li>• (X) Projected Available Revenue for the next three FYs divided by Debt Service will not be less than 1.20, <u>and</u> (Y) Projected Available Revenue for the third FY divided by MADS will not be less than 1.20.</li> </ul> |
| <b>Debt service reserve fund</b>       | <p>Aggregate reserve fund</p> <p>Requirement equal to lesser of (i) MADS or (ii) 125% of average annual debt service on all outstanding senior bonds</p>   | <p>By series reserve funds</p> <p>Existing bonds maximum annual interest calculated at any date through final maturity</p>  |