

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

BY AND BETWEEN

MASSACHUSETTS WATER RESOURCES AUTHORITY

AND

TD BANK, N.A.

DATED AS OF APRIL 12, 2016

LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT, dated as of April 12, 2016 by and between the **MASSACHUSETTS WATER RESOURCES AUTHORITY**, a body politic and corporate and a political subdivision duly created and validly existing under the laws of The Commonwealth of Massachusetts (the "Authority"), and **TD BANK, N.A.**, a national banking association (the "Bank").

WITNESSETH:

WHEREAS, the Authority is empowered to issue its Bond Anticipation Notes under the Massachusetts Water Resources Authority Act and pursuant to the Amended and Restated General Revenue Bond Resolution of the Authority dated April 23, 2015 (as amended and supplemented from time to time, the "General Resolution") to finance, refinance or reimburse the Authority for the Costs of Projects (as such terms are defined in the General Resolution); and

WHEREAS, in order to assure the availability of a portion of funds needed to finance the Costs of Projects, the Authority has determined that it is necessary and desirable at this time to authorize and from time to time to issue and sell its Tax-exempt Commercial Paper Notes, Series 2016 (the "Notes") therefor, in accordance with the provisions of the General Resolution, the Sixty-Ninth Supplemental Resolution, the Issuing and Paying Agent Agreement, the Offering Memorandum and the Dealer Agreement referred to herein; and

WHEREAS, the Authority has determined that the Notes shall be issued under the General Resolution as Subordinated Parity Bond Anticipation Notes and that the interest thereon shall be secured by a subordinated pledge of Revenues under Section 501(b) of the General Resolution; and

WHEREAS, in order to enhance the marketability of the Notes, the Authority has determined that a letter of credit shall be issued which will permit the Issuing and Paying Agent (as defined herein) to periodically draw certain amounts in order to pay the principal of and interest on the Notes as provided herein and in such Letter of Credit; and

WHEREAS, the Authority has requested that the Bank issue to the Issuing and Paying Agent, for the account of the Authority, the Bank's irrevocable letter of credit in an initial stated amount equal to \$161,095,891, securing the payment of principal of and interest on the Notes (hereinafter defined), which stated amount includes \$150,000,000 available for Principal Drawings (hereinafter defined) under such letter of credit and \$11,095,891 (equal to interest on the Notes for 270 days at an interest rate equal to 10 percent (10%) per annum calculated on the basis of a 365-day year) available for Interest Drawings (hereinafter defined) under such letter of credit; and

WHEREAS, the Bank has agreed to provide its irrevocable letter of credit, subject to the terms and conditions of this Agreement (hereinafter defined), in the Maximum Stated Amount (hereinafter defined) of which may be reduced and reinstated as herein and therein provided; and

WHEREAS, the Bank shall succeed to the rights of the holders from time to time of the Notes upon payment with amounts drawn under such letter of credit of the principal of or interest on the Notes, as specified in the Sixty-Ninth Supplemental Resolution and the Notes;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS.

Section 1.1 Definitions.

For purposes of this Agreement, the following terms shall have the following meanings:

“Act” shall mean Chapter 372 of the Acts of 1984 of The Commonwealth of Massachusetts, as amended.

“Agreement” shall mean this Letter of Credit and Reimbursement Agreement, as the same may be amended and supplemented from time to time.

“Alternate Liquidity Facility” means a replacement letter of credit or other liquidity facility substituted for the Letter of Credit in compliance with the requirements of Section 6.4 of the Supplemental Resolution.

“Authority” shall have the meaning set forth in the first paragraph of this Agreement.

“Bank” shall have the meaning set forth in the first paragraph of this Agreement.

“Authorized Officer” means, with respect to any action of, or on behalf of, the Authority, any of the Executive Director, Director of Finance or Treasurer of the Authority or any other officer so authorized to perform such action as evidenced by a certificate of the Secretary or Assistant Secretary of the Authority.

“Bank Documents” shall mean, individually and collectively, this Agreement, the Bank Note, all Term Notes, the Fee Letter and all other documents delivered by the Authority to the Bank in connection herewith, as each may be modified, amended, extended or replaced.

“Bank Note” shall mean the promissory note substantially in the form of Exhibit B hereto issued by the Authority to the order of the Bank evidencing the obligation of the Authority to reimburse the Bank for any Drawing (other than a Term Loan) and interest thereon as provided herein.

“Bank Rate” shall mean the rate(s) per annum set forth in the Fee Letter.

“Bank Rate Loans” shall mean the amount of Unpaid Drawings bearing interest at the Bank Rate.

“Bond Counsel” shall mean any attorney at law or firm of attorneys selected by the Authority, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

“Bonded Debt” means the senior unenhanced revenue bonds of the Authority.

“Business Day” shall mean a day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the State of New York or The Commonwealth of Massachusetts are authorized or required to close, (iii) a day on which the Issuing and Paying Agent is required or authorized by law to be closed, or (iv) a day on which the New York Stock Exchange is closed.

“Change of Law” means the adoption of or change in, after the Closing Date, any law, rule, regulation, statute, treaty, guideline or directive of any Governmental Authority or the occurrence of the effective date of any of the foregoing if adopted prior to the Closing Date or any change after the Closing Date in the application, interpretation or enforcement of any of the foregoing.

“Close of Business” shall mean on any day the last time at which third-party payers may make payment into the federal funds system.

“Closing Date” shall mean April 12, 2016.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commitment Fee” shall have the meaning given such term in Section 2.2(a)(i) hereof.

“Commonwealth” shall mean The Commonwealth of Massachusetts.

“Compliance Certificate” shall mean a certificate of the Authority in the form of Exhibit D hereto.

“Costs of Projects” shall have the meaning given such term in the General Resolution.

“Dealer” shall mean each of Goldman Sachs & Co., and Morgan Stanley & Co. Incorporated, each acting as a dealer for the Authority under the respective Dealer Agreement, between it, and any successors thereto, and the Authority for the purposes of marketing any Notes pursuant to the Dealer Agreement.

“Dealer Agreement” shall mean each of the Dealer Agreements, dated as of [REDACTED], between the Authority and the respective Dealer, as each may be amended and supplemented, or substituted from time to time.

“Debt” means with respect to any Person, all items that would be classified as a liability in accordance with generally accepted accounting principles, including, without limitation, (a) indebtedness or liability for borrowed money, or for the deferred purchase price of property or services (including trade obligations); (b) obligations as lessee under leases which should have been, or should be, recorded as capital leases in accordance with generally accepted accounting principles; (c) current liabilities in respect of unfunded benefits under employee benefit, retirement or pension plans; (d) obligations issued for the account of any other Person; (e) all obligations arising under acceptance facilities; (f) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any other Person or

otherwise to assure a creditor against loss; (g) obligations secured by any mortgage, lien, pledge, security interest or other charge or encumbrance on property, whether or not the obligations have been assumed and (h) obligations of such Person under Interest Rate Protection Agreements excluding any early termination payments associated therewith.

“Default” shall mean any condition or event which with the giving of notice or passage of time or both would constitute an Event of Default.

“Default Rate” means a rate per annum equal to the greater of (x) the LIBOR Rate plus [REDACTED] per annum and (y) [REDACTED] per annum, not to exceed the Maximum Lawful Rate.

“Drawing” shall mean each drawing under the Letter of Credit in accordance with its terms.

“Event of Default” shall have the meaning given such term in Section 7.1 hereof.

“Fee Letter” shall mean the letter agreement between the Authority and the Bank dated [REDACTED], as supplemented or amended from time to time by a written document executed by the Authority and the Bank.

“Fitch” shall mean Fitch, Inc., and any successor or assign, except that if such corporation shall be dissolved or liquidated or shall no longer perform the function of a securities rating agency, the term Fitch shall be deemed to refer to any Nationally Recognized Statistical Ratings Organization designated by the Authority then maintaining a rating for the Authority’s Bonds or Notes.

“Generally Accepted Accounting Principles” means generally accepted accounting principles consistently applied and maintained throughout the period indicated and consistent with the prior financial practice of the Authority, except for changes permitted by the Governmental Accounting Standards Board or any similar accounting authority of comparable standing.

“General Resolution” shall have the meaning given such term in the introductory paragraphs to this Agreement.

“Governmental Authority” shall mean any nation or government, any federal, state, city, town, municipality, county, local or other political subdivision thereof or thereto and any department, commission, board, bureau, instrumentality, authority, agency or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Interest Drawing” shall mean a Drawing under the Letter of Credit to pay scheduled interest on the Notes when due and payable as set forth in the Sixty-Ninth Supplemental Resolution.

“Interest Period” shall have the meaning given such term in Section 2.5(d) hereof.

“Interest Portion” shall mean, with respect to the Letter of Credit, the portion of the Stated Amount corresponding to interest on the principal amount of Notes authorized by the Sixty-Ninth Supplemental Resolution for 270 days at an interest rate equal to ten percent (10%) per annum for a 365 day year.

“Interest Rate Protection Agreement” means an interest rate swap, cap or collar agreement or similar arrangement between any Person and a financial institution providing for the transfer or mitigation of interest rate risks either generally or under specific contingencies.

“Issuance Request” shall have the meaning given such term in Section 3.2 hereof.

“Issuance Resolution” shall mean the Issuance Resolution adopted by the Authority Board of Directors on October 14, 2015.

“Issuing and Paying Agent Agreement” shall mean the Issuing and Paying Agent Agreement between the Authority and the Issuing and Paying Agent authorized pursuant to Section 4.1 of the Sixty-Ninth Supplemental Resolution.

“Issuing and Paying Agent” shall mean U.S. Bank, National Association acting in such capacity pursuant to the Issuing and Paying Agent Agreement, and any successor thereto or substitute therefor.

“Letter of Credit” shall mean the irrevocable, direct-pay, transferable letter of credit issued by the Bank pursuant to this Agreement, substantially in the form of Exhibit A hereto, and shall include any amended Letter of Credit or any substitute Letter of Credit issued by the Bank pursuant to Section 2.1(b).

“Letter of Credit and Reimbursement Agreement” shall mean this Agreement, as the same may be amended from time to time.

“Letter of Credit Expiration Date” shall mean the date set forth in the Letter of Credit as the date on which the Letter of Credit is stated to expire, as the same may be extended pursuant to Section 2.8 hereof.

“LIBOR Loan” means any Loan held by the Bank which is being paid with interest based upon the LIBOR Rate.

“LIBOR Rate” means the offered rate for deposits of U.S. Dollars for 30-day periods which the ICE Benchmark Administration (or any successor administrator of LIBOR rates) fixes as its LIBOR rate as of 11:00 a.m. London time on the day which is two Business Days prior to the beginning of the Interest Period. If such day is not a Business Day, the LIBOR Rate shall be determined on the next preceding day which is a Business Day. If for any reason, the Bank cannot determine such offered rate by the then current administrator of LIBOR rates, the Prime Rate shall be used as a replacement index in lieu of the LIBOR Rate.

“Liquidity Drawing” shall mean an Unpaid Drawing on or prior to the date of a Term Loan Conversion in connection therewith.

“Loans” shall mean either a Bank Rate Loan or a Term Loan.

“Maximum Lawful Rate” means the maximum rate of interest on the relevant obligation permitted by applicable law without regard to any filing made by a lender with respect to notice of rates in excess of any statutory or regulatory threshold interest rate.

“Maximum Stated Amount” shall mean \$161,095,891 calculated as the sum of the maximum principal amount of the Notes equal to \$150,000,000, plus interest thereon equal to \$11,095,891, which interest amount is calculated at the maximum rate of ten percent (10%) per annum (calculated based on a 365-day year) for a period of two hundred seventy (270) days, as such amount may be reduced from time to time in accordance with the terms of the Letter of Credit and this Agreement.

“Moody’s” means Moody’s Investors Service, Inc., and any successor or assign, except that if such corporation shall be dissolved or liquidated or shall no longer perform the function of a securities agency, the term Moody’s shall be deemed to refer to any Nationally Recognized Statistical Rating Organization designated by the Authority then maintaining a rating for the Authority’s Bonds and Notes.

“Note Documents” shall mean, at any time, each of the following as in effect or as outstanding, as the case may be, at such time: (i) the Issuance Resolution, (ii) the Notes, (iii) the General Resolution and the Sixty-Ninth Supplemental Resolution, (iv) the Offering Memorandum, (v) the Dealer Agreement, and (vi) the Issuing and Paying Agent Agreement.

“Notes” shall mean, collectively, the Authority’s Tax-exempt Commercial Paper Notes, Series 2016 and any other Note or Notes to be issued pursuant to the Sixty-Ninth Supplemental Resolution.

“Offering Memorandum” shall mean the Offering Memorandum, relating to the issuance of the Notes, including any amendment or supplement to such offering memorandum.

“Participant” means any entity to which the Bank has sold a participation in this Agreement pursuant to Section 11.5 hereof.

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

“Prime Rate” means the Prime Rate published from time to time in The Wall Street Journal in its general guide to money rates as the base rate on corporate loans at large United States money center commercial banks (or if said Prime Rate is reported as a range of rates, the highest of such rates). Changes in the Prime Rate shall be effective, for purposes of the calculation of interest hereunder, on the same date such changes are reported in The Wall Street Journal. In the event that The Wall Street Journal ceases publication or fails to publish such rates, the Prime Rate shall mean and refer to the prime rate of the Bank as announced from time to time by the Bank. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate being charged to any customer.

“Principal Drawing” shall mean a Drawing under the Letter of Credit to pay the principal amount of the Notes upon the maturity thereof.

“Principal Portion” shall mean the portion of the Stated Amount corresponding to the principal amount of the Notes authorized by the Sixty-Ninth Supplemental Resolution.

“Rating Agency” means any of the following, as designated in writing by the Authority; Moody’s, S&P, Fitch or any other Nationally Recognized Statistical Rating Organization then maintaining a rating on any of the Authority’s Bonds.

“Rating Downgrade” means each downgrade by a Rating Agency with respect to its long-term unenhanced credit rating assigned to the Bonded Debt of the Authority as of the Closing Date (e.g., a reduction by S&P of the Authority’s long-term unenhanced credit rating from “A+” to “A” would constitute one Rating Downgrade; a reduction by S&P of the Authority’s long-term unenhanced credit rating from “A+” to “A-” would constitute two Rating Downgrades).

“Reimbursement Obligations” shall have the meaning given such term in Section 2.2(d) hereof.

“Revenues” shall have the meaning assigned to such term in the [General Resolution].

“S&P” means Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, and any successor or assign, except that if such division shall be dissolved or liquidated or shall no longer perform the function of a securities rating agency, the term S&P shall be deemed to refer to any Nationally Recognized Statistical Rating Organization designated by the Authority then maintaining a rating for the Authority’s Bonds and Notes.

“Senior Debt” means the bonds and other obligations of the Authority secured by the pledge created under Section 501(a) of the General Resolution.

“Sixty-Ninth Supplemental Resolution” shall mean the Sixty-Ninth Supplemental Resolution Authorizing the Issuance of \$150,000,000 Massachusetts Water Resources Authority Tax-exempt Commercial Paper Notes, Series 2016 adopted on October 14, 2015.

“Stated Amount” shall mean, as of any date, the maximum amount that by the terms of the Letter of Credit is available to be drawn under the Letter of Credit as of such date (which amount shall be reduced by the amount representing Unpaid Drawings and Term Loans outstanding as of such date).

“System” has the meaning set forth in the General Resolution.

“Taxes” has the meaning given such term in Section 2.6(c) hereof

“Termination Date” shall mean the earliest to occur of (i) the Letter of Credit Expiration Date, (ii) the date on which the Certificate of Cancellation in the form of Annex B to the Letter of Credit is delivered to the Bank, and (iii) the day immediately following final payment in full of the Notes outstanding prior to receipt by the Authority and the Issuing and Paying Agent of the Notice of Termination in the form of Annex E of the Letter of Credit.

“Term Loan” means an Unpaid Drawing which has been subject to a Term Loan Conversion.

“Term Loan Conversion” means the conversion of an Unpaid Drawing to a Term Loan referred to in Section 2.4(b) hereof.

“Term Loan Rate” means, the greater of (x) the LIBOR Rate plus [REDACTED] or (y) [REDACTED] per annum.

“Term Note(s)” means a note or notes issued from time to time by the Authority as evidence of a Term Loan(s), in the form attached hereto as Exhibit F.

“Unpaid Drawings” shall mean as of the time any determination thereof is to be made, the amount of each payment made by the Bank under the Letter of Credit honoring a Drawing made by the Issuing and Paying Agent thereunder, in each case to the extent not theretofore reimbursed by the Authority; provided, however, that the term Unpaid Drawings shall not include any such payment which is reimbursed to the Bank pursuant to the Issuing and Paying Agent Agreement prior to the Close of Business on the day such payment is made.

Section 1.2 Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not defined herein shall have the meaning provided therefor in the General Resolution.

Section 1.3 Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding.”

Section 1.4 Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular includes the plural and the part includes the whole and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “including” has the meaning “including, but not limited to.” The section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

Section 1.5 Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with Generally Accepted Accounting Principles.

Section 1.6 Time. All times are the time then in effect in Boston, Massachusetts.

ARTICLE 2 ARTICLE 2 LETTER OF CREDIT; FEES; REIMBURSEMENT.

Section 2.1 Amount and Terms of Letter of Credit.

(a) Amount of Letter of Credit. The Bank agrees on the terms and subject to the conditions hereinafter set forth, including, without limitation, the conditions set forth in Article 3 hereof, to issue the Letter of Credit. The Letter of Credit will be issued in an initial amount equal to \$161,095,891, of which (i) an amount not exceeding \$150,000,000.00 shall be available for Principal Drawings, and (ii) an amount not exceeding \$11,095,891 (said amount being equal to interest on the Principal Portion for 270 days at an interest rate equal to ten percent (10%) per annum calculated on the basis of a 365-day year) shall be available for Interest Drawings; provided that in no event shall the Stated Amount at any time exceed the Maximum Stated Amount. The Letter of Credit shall be issued to the Issuing and Paying Agent for the account of the Authority and shall be substantially in the form of Exhibit A hereto, with such changes to the form set forth in Exhibit A hereto as the Authority and the Bank shall agree in writing are necessary or advisable. The Authority hereby irrevocably approves reductions and reinstatements of the Stated Amount with respect to the Letter of Credit as provided in the Letter of Credit.

(b) Reduction and Reinstatement of Letter of Credit. The Principal Portion and Interest Portion may be reduced and reinstated from time to time, as more fully provided in the Letter of Credit. After (i) any reduction of the Stated Amount as provided in the Letter of Credit, (ii) any extension of the Letter of Credit Expiration Date, or (iii) any permanent reduction in the Maximum Stated Amount, the Bank may at its option deliver a substitute Letter of Credit to the Issuing and Paying Agent in an amount equal to the Stated Amount as then in effect and reflecting such reduction in the Stated Amount or the extended Letter of Credit Expiration Date (but otherwise having terms identical to the Letter of Credit for which it is substituted) in exchange for and upon surrender to the Bank of the Letter of Credit affected by such reduction or extension; provided that in no event shall the Stated Amount at any time exceed the Maximum Stated Amount.

(c) Legal Restrictions or Limitations. In the event that any restrictions or limitations are imposed upon or determined or held to be applicable to the Bank by, under or pursuant to any law or regulation now or hereafter in effect or by reason of any interpretation thereof by any court or Governmental Authority (including, without limitation, any interpretation by any competent bank supervisory agency having jurisdiction over the Bank as to the applicability of legal lending limits to the transactions contemplated hereby), which in the sole judgment of the Bank would prevent it from legally incurring liability in respect of any Drawings made under the Letter of Credit issued or to be issued pursuant hereto, then the Bank shall give prompt written notice thereof to the Authority and the Issuing and Paying Agent in the form of Annex E to the Letter of Credit, whereupon no additional Notes issued by the Authority after the commencement of business on the Business Day next following the Business Day on which such notice is received (or, if such notice is received before 9:30 AM, New York time, on a Business Day, no additional Notes issued by the Authority on or after the time such notice is received by the Issuing and Paying Agent) shall be entitled to the benefit of the Letter of Credit; provided, however, that to the full extent permitted by law the Bank shall continue to be liable in accordance with the terms of the Letter of Credit in respect of Notes entitled to the benefit of the

Letter of Credit issued prior to the time provided in this sentence. The Bank shall use reasonable efforts to notify the Authority of events described in this paragraph which in the sole judgment of the Bank are likely to result in the Bank's inability to legally incur liability in respect of any Drawings made under the Letter of Credit as soon as practicable following the date on which the Bank learns of such events.

(d) Cancellation or Replacement of Letter of Credit. The Authority may cancel or replace the Letter of Credit at any time by notice from the Authority and the Issuing and Paying Agent to the Bank substantially in the form of the Certificate attached to the Letter of Credit as Annex B; provided, however, that in the event the Authority cancels the Letter of Credit within one (1) year after the Closing Date, the Authority shall remain obligated to pay the Facility Fees due under Section 2.2(a)(i) for the first twelve (12) month period. The Authority shall give the Bank not less than thirty (30) days prior written notice of the Authority's intention to so cancel or replace the Letter of Credit. The Issuing and Paying Agent shall be required to return the Letter of Credit so canceled or replaced to the Bank on the effective date of such cancellation or replacement. No cancellation or replacement of the Letter of Credit may occur unless all payment and Reimbursement Obligations are paid in full on or prior to the date of such cancellation or replacement

(e) Permanent Reduction of Maximum Stated Amount. Further, by thirty (30) days prior written notice to the Bank and the Issuing and Paying Agent, the Authority may permanently reduce the Maximum Stated Amount of the Letter of Credit by the amount specified in such notice; provided (i) that the Principal Portion that remains outstanding thereafter (as reduced by amounts representing Unpaid Drawings or Term Loans) shall equal or exceed the aggregate principal amount of Notes secured by the Letter of Credit which are outstanding as of the date of such reduction, (ii) that the Authority thereafter shall limit the aggregate outstanding amount of such Notes to an amount not to exceed such Principal Portion (as reduced by any Unpaid Drawings or Term Loans), and (iii) that the Interest Portion remaining shall conform to the definition of "Interest Portion" provided in Article 1 hereof.

Section 2.2 Fees.

(a) Fees.

(i) Commitment Fee. The Authority hereby agrees to pay to the Bank, with respect to the Letter of Credit, in arrears, quarterly with respect to each period ending on March 30, June 30, September 30 and December 30 in each year, on the first day of each calendar quarter commencing July 1, 2016, and on the Termination Date, a letter of credit fee for the period from and including the Closing Date up to and including such Termination Date in the amount set forth in the Fee Letter, calculated on the basis of a 360-day year and the actual number of days elapsed (the "Commitment Fee").

(ii) Issuance Fee. The Authority agrees to pay to the Bank an issuance fee in the amount set forth in the Fee Letter, which fee shall be due and payable on the Closing Date.

(iii) Draw Fees. The Authority agrees to pay to the Bank, for each Drawing, a draw fee in the amount set forth in the Fee Letter; payable quarterly in arrears with

respect to each period ending on March 30, June 30, September 30 and December 30 in each year, on the first day of each calendar quarter commencing July 1, 2016, and on the Termination Date.

(iv) Amendment/Transfer Fee. The Authority agrees to pay to the Bank a fee in the amount set forth in the Fee Letter upon each amendment to this Agreement or any Note Document requiring the consent of the Bank, or any transfer of the Letter of Credit from the Issuing and Paying Agent to a successor issuing and paying agent, plus, in each case, reasonable attorneys' fees and expenses associated therewith, any such fee being payable within thirty (30) calendar days of the Bank's delivery of an invoice therefor.

(b) Administration. The Authority hereby agrees to pay all of the Bank's out-of-pocket expenses (including, without limitation, reasonable fees and disbursements of counsel for the Bank) arising in connection with the administration and enforcement of, preservation of rights in connection with a workout, restructuring or default by the Authority under or amendment or waiver with respect to, this Agreement, the Note Documents and the Bank Documents.

(c) Interest on Amounts Due. The Authority hereby agrees to pay interest at the Default Rate on any and all amounts required to be paid under this Section 2.2 from and after the due date thereof until paid in full, whether before or after the expiration of the Letter of Credit and this Agreement, payable on demand.

(d) Parity Payments. The Authority's (i) obligation to pay principal and interest then due and owing on Letter of Credit drawings ("Reimbursement Obligations") and (ii) obligation to pay the fees under Section 2.2(a)(i)-(iv) hereof have the benefit and security of the General Resolution and are secured by a second priority lien on Revenues and are on parity with the pledge created for the payment of Subordinated Bonds in Section 501(b) of the General Resolution subject only to the prior pledge thereof created for the payment of Senior Bonds in Section 501(a) of the General Resolution. There is no Debt of the Authority that is payable from or secured by Revenues that ranks senior to the Notes, Reimbursement Obligations or the fees described in Section 2.2(a)(i)-(iv) other than Senior Debt and those items included in the definition of Debt that are considered Operating Expenses of the Authority.

Section 2.3 Additional Payments.

(a) Reserves. If after the Closing Date any United States (or other Governmental Authority having jurisdiction over the Bank or any Participant) federal, state or other law, rule, regulation or guideline, whether or not having the force of law, or the enforcement, interpretation or administration thereof by any court or any administrative or Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof shall at any time (i) impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, pursuant to Regulation D of the Board of Governors of the Federal Reserve System) against credits or commitments to extend credit extended by, or assets (funded or contingent) of, deposits with or for the account of, or other acquisitions of funds or bonds by the Bank or any Participant, or (ii) subject credits or commitments to extend credit extended by the Bank or any Participant to any assessment or

other cost imposed by the Federal Deposit Insurance Corporation or any successor thereto, or (iii) impose on the Bank or any Participant any other or similar condition regarding this Agreement, the commitment or obligations of the Bank hereunder and the result of any event referred to in clause (i), (ii) or (iii) above shall be to increase the cost to the Bank or any Participant of agreeing to issue, issuing or maintaining the Maximum Stated Amount or having draws or maintaining (or agreeing to honor draws or maintain) the Letter of Credit by an amount which the Bank or any Participant shall deem to be material (which increase in cost shall be the result of the reasonable allocation by the Bank or any Participant of the aggregate of such cost increases resulting from such events), then, within thirty (30) days after the Authority's receipt of the Bank's written demand, the Authority shall pay to the Bank (for itself or the account of such Participant) from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank or any Participant for such increased cost from the date of such change, together with interest on each such amount from the date payment is due until the earlier of the date of payment in full thereof and the date on which such payment is due at the Bank Rate, and thereafter at the Default Rate. No such amounts shall include increased costs incurred by the Bank more than 180 days prior to the date of written demand therefor.

(b) Capital Charges. If the Bank or any Participant shall have determined after the Closing Date that the applicability of any law, rule, regulation or guideline or the adoption or issuance of any law, rule, regulation or guideline (whether or not having the force of law) regarding capital adequacy, by any Governmental Authority (including, but not limited to any Governmental Authority having jurisdiction over the Bank or any Participant or Assignee), or any change in any applicable law, rule, regulation or guideline, as the case may be, or any change in the enforcement or interpretation or administration thereof by any court or any administrative or Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank (or any lending office thereof) or any Participant with any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency has or would have the effect of reducing the rate of return on capital of the Bank or any such Participant, if any, as a consequence of its obligations hereunder to a level below that which the Bank or such Participant could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank or such Participant with respect to capital adequacy) by an amount deemed by the Bank or such Participant to be material, then within thirty (30) days after the Authority's receipt of the Bank's written demand, the Authority shall pay to the Bank (for itself or for the account of such Participant) such additional amount or amounts as will compensate the Bank or its Participant, if any, as the case may be, for such reduction from the date of such adoption, change or compliance with respect to such law, rule, regulation, guideline, request or directive, together with interest on each such amount from the date payment is due until the earlier of the date of payment in full thereof and the date on which such payment is due at the Bank Rate and thereafter at the Default Rate. No such amounts shall include increased costs incurred by the Bank more than 180 days prior to the date of written demand therefor.

(c) Demand for Payment. Each demand for compensation pursuant to Section 2.3(a) or 2.3(b) hereof shall be accompanied by a certificate of the Bank in reasonable detail setting forth the computation of such compensation (including the reason therefor), which certificate shall be conclusive, absent manifest error, as against all other Persons, including

without limitation, the Authority. The obligations of the Authority under this Section 2.3 shall survive the termination of this Agreement.

(d) Third Party Beneficiaries. The benefits of this Section 2.3 shall be available to each Participant and each lawful assignee of the Bank.

Section 2.4 Reimbursement of Drawings: Term Loan Conversion.

(a) Liquidity Drawings. Except as provided in Section 2.4(b) below, the Authority agrees that if any Drawing is not reimbursed on the same day of such Drawing, said Drawing will be deemed a Liquidity Drawing and the amount of such Liquidity Drawing (and any interest due thereon) shall accrue interest at the Bank Rate from the date such Liquidity Drawing was first made to and including the first to occur of (i) the date when such Liquidity Drawing is repaid, (ii) the ninetieth (90th) day immediately following the making of such Liquidity Drawing, and (iii) the Termination Date; provided, however, that if an Event of Default shall have occurred at any time on or prior to the occurrence of any one of the events described in (i), (ii) or (iii) above, said Liquidity Drawing shall become due and payable immediately and shall accrue interest thereon at the Default Rate from and after the occurrence of such Event of Default. Any Drawing that is repaid by the Authority on the date of such Drawing shall not bear any interest. The obligations set forth in this Section 2.4(a) shall be evidenced by the Bank Note and shall bear interest at the rate or rates set forth in the Fee Letter.

(b) Term Loan Conversion. Provided that a Liquidity Drawing remains unpaid on the 91st day after the making thereof, the Termination Date has not occurred and no Default or Event of Default has occurred and is continuing, any outstanding Liquidity Drawing shall be automatically converted to a Term Loan. Such conversion shall be accompanied by the Authority (i) delivering a Notice of a Term Loan Conversion, in the form attached hereto as Exhibit E, to the Bank stating the amount of the Liquidity Drawing converted, (ii) executing a Term Note with respect to each such Term Loan, and (iii) delivering an opinion of Bond Counsel to the Authority regarding the enforceability of the Term Note and otherwise being in form and substance satisfactory to the Bank. The principal amount of each Term Loan will be due and payable in sixty (60) equal monthly installments, commencing one (1) month from the date the related Drawing was converted to Term Loan status (i.e. the 91st day following the related Drawing) and maturing in full on the fifth anniversary of such date.

(c) Interest Payments. Except as otherwise provided in Section 7.2 hereof, interest with respect to any Liquidity Drawing shall be payable monthly in arrears beginning on the first day of the month immediately succeeding the making of such Liquidity Drawing, and on the date of repayment of said Liquidity Drawing. Except as otherwise provided in Section 7.2 hereof, interest with respect to any Term Loan shall be payable monthly beginning on the like day one month next following the date of the Term Loan Conversion.

(d) Payment Penalty. Subject to Section 11.2(c) below, any Liquidity Drawing or Term Loan may be prepaid at any time with no prepayment penalty.

Section 2.5 Interest Rates.

(a) Bank Rate/Term Loan Rate. The Authority shall pay interest owed to the Bank on the amount of each Drawing other than a Term Loan from the date of such Drawing to the date of reimbursement of the amount of such Drawing, at an interest rate equal to the Bank Rate. The Authority shall pay interest owed in respect of each Term Loan from and after the date of the Term Loan Conversion on the unpaid principal amount thereof, at an interest rate equal to the Term Loan Rate. Such interest shall be payable at the times set forth in subsection (c) below and shall compound monthly on the first Business Day of each month until the earlier to occur of prepayment to the Bank, the maturity date of the Term Loan and the occurrence and continuation of an Event of Default.

(b) Liquidity Drawings. All Drawings will initially be Bank Rate Loans.

(c) Monthly in Arrears. Interest on Bank Rate Loans and Term Loans shall be due and payable, without setoff, deduction or counterclaim, monthly in arrears on the first day of such month and on the date of repayment of Loans, whether at maturity or otherwise.

(d) Interest Period. For any Bank Rate Loan and Term Loan, the Interest Period shall be the period commencing on the Business Day on which such Loan is made or converted (or the first day after the end of an Interest Period applicable to such Loan) and ending one (1) month thereafter; provided, however, that: (i) the last day of each Interest Period shall be determined in accordance with the practices of the offshore United States dollar inter-bank markets as from time to time in effect, (ii) except as otherwise provided for any Term Loan, the duration of any Interest Period which begins prior to the Letter of Credit Expiration Date and would otherwise end after such date shall end on such Letter of Credit Expiration Date, (iii) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall extend to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the immediately preceding Business Day, and (iv) any Interest Period that begins on the last Business Day of a calendar month (or a day for which there is no numerically corresponding day in the calendar month at the cad of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period.

(e) Rates No Longer Reflective of Cost to Bank. Anything herein to the contrary notwithstanding, if, on or prior to the determination of an interest rate for any Bank Rate Loan or Term Loan for any applicable Interest Period, the Bank shall determine (which determination shall be conclusive absent manifest error) that:

(i) by reason of any event affecting United States money markets or the London interbank market, quotations of interest rates for the relevant deposits are not being provided in the relevant amounts or for the relevant maturities for purposes of determining the rate of interest for such Loans under this Agreement; or

(ii) the rates of interest referred to in the definition of “Bank Rate Loan” or “Term Loan”, on the basis of which the rate of interest on any Bank Rate Loan or Term

Loan for such period is determined, do not accurately reflect the cost to the Bank of making or maintaining such Loans for such period,

then the Bank shall give the Authority prompt notice thereof (and shall thereafter give the Authority prompt notice of the cessation, if any, of such condition), and so long as (i) such condition remains in effect, (ii) the Bank's treating all borrowers similarly situated to the Authority in substantially the same manner, the Bank shall be under no obligation to convert Bank Rate Loans into Term Loans.

(f) Change in Banking Regulation. Notwithstanding any other provision herein, if any change in banking regulations to which the Bank is subject shall make it unlawful for the Bank to make or maintain Bank Rate Loans or Term Loans as contemplated by this Agreement (i) the Bank's commitment hereunder to make Term Loans, continue Term Loans as such and convert Bank Rate Loans to Term Loans shall thereupon terminate, and (ii) the Loans then outstanding as Term Loans, if any, shall be converted automatically to Bank Rate Loans on the respective last days of then current Interest Periods with respect to such Loans or within such earlier period as required by law. If any such conversion of a Term Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Authority shall pay to the Bank such amounts, if any, as maybe required pursuant to Section 11.2(c).

Section 2.6 Place and Time of Payment; Payment Dates; Net of Taxes; Application of Payments.

(a) Place and Time of Payment. All reimbursements of Drawings and payment of Term Loans hereunder by the Authority to the Bank shall be made to the Bank prior to 3:00 p.m. on the date such payment is due by wire transfer in Dollars and in immediately available funds through the Federal Reserve Wire System to the Federal Reserve Bank of New York for credit to [REDACTED]

[REDACTED], or such other account of the Bank as the Bank may specify in writing to the Authority and the Issuing and Paying Agent. Fees and other obligations of the Authority to the Bank shall be paid prior to 3:00 p.m. on the date when due by check. Any payment received by the Bank after 3:00 p.m. shall be deemed to be received by the Bank on the next succeeding Business Day. Any amount owed to the Bank hereunder which is not paid when due shall bear interest from the date such payment was due until paid in full at a rate equal to the Default Rate, such interest to be payable on demand. All computations of (i) interest shall be made on the basis of a year of 365 and the actual number of days elapsed and (ii) fees shall be made on the basis of a year of 360 days and the actual number of days elapsed.

(b) Payment Dates. Except as may be otherwise provided herein, whenever any payment or action to be made or taken hereunder shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

(c) Net of Taxes. All payments by or on behalf of the Authority under this Agreement shall be made without counterclaim, set-off, condition or qualification, and free and clear of and without deduction or withholding for or by reason of any present or future taxes, levies, imposts, deductions or charges of any nature whatsoever, excluding, however, taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being referred to as “Taxes”). If requested, the Bank, and any Participant shall from time to time provide the Authority, the Issuing and Paying Agent and the United States Internal Revenue Service (to the extent such information and forms may be lawfully provided by the Bank or such Participant) with such information and forms as may be required by Treasury Regulations Section 1.1411 or any other such information and forms as may be necessary to establish that the Authority is not subject to any withholding obligation under Section 1442 or other comparable provisions of the Code. If as a result of a Change of Law, the Authority shall be required by law to withhold or deduct any Taxes imposed by the United States or any political subdivision thereof from or in respect of any sum payable hereunder to the Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.6(c)) the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the Authority shall make any payment under this Section 2.6(c) to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States then the Bank shall pay to the Authority an amount equal to the amount by which such other taxes are actually reduced; *provided, however*, that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid to the Bank with respect to such Taxes.

(d) Application of Payments. Payments received by the Bank shall be applied, first, to any fees, costs, charges or expenses payable by the Authority under this Agreement; second, to past due interest; third, to current interest; and, fourth, to principal.

Section 2.7 Maximum Rate. Nothing contained in this Agreement shall be deemed to establish or require the payment of a rate of interest in excess of the maximum rate permitted by any applicable law. In the event that any rate of interest required to be paid under this Agreement exceeds the maximum rate permitted by any applicable law, such rate shall automatically be reduced to the maximum rate permitted by any applicable law; provided, however, that if at any time the rate of interest required to be paid under this Agreement shall exceed the maximum rate permitted by any applicable law, then any subsequent reduction in the rate of interest required to be paid hereunder will not reduce the rate of interest below the maximum rate permitted by any applicable law until the total amount of interest accrued equals the amount of interest which would have accrued if the Default Rate had at all times been in effect. On the Termination Date, the Authority shall pay to the Bank a fee equal to the amount of accrued interest as a result of this Section 2.7.

Section 2.8 Extension of Letter of Credit Expiration Date. If the Authority on any date which is not more than [REDACTED] days prior to the [REDACTED] anniversary of the

Closing Date submits to the Bank a written request for an extension of the Letter of Credit Expiration Date for a period as specified in such written request, the Bank will make reasonable efforts to respond to such request within thirty (30) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested. The Bank may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Bank shall have consented thereto in writing. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance reasonably satisfactory to the Bank and consistent with this Agreement. If such an extension request is accepted by the Bank in its sole and absolute discretion, the then current Letter of Credit Expiration Date for the Letter of Credit shall be extended to the date agreed by the Authority and the Bank.

ARTICLE 3 CONDITIONS PRECEDENT.

Section 3.1 Documents to be Received. The Bank's obligation to issue the Letter of Credit as set forth in Section 2.1 hereof is subject to the conditions precedent that, on or prior to the Closing Date, the Bank shall receive the following documents, all in form and substance satisfactory to the Bank:

- (a) executed counterparts or certified copies of the Note Documents; provided, however, that with respect to the Notes, the Bank may receive Notes marked as a "specimen" and shall not need to receive duly executed Notes;
- (b) certified copies of the resolutions of the Authority authorizing the execution and delivery of, and the performance by the Authority of its obligations under, this Agreement, the Note Documents and the Bank Documents, and certified copies of all other documents evidencing any other action of the Authority taken with respect thereto;
- (c) certified copies of all government approvals necessary for the Authority to execute, deliver and perform its obligations under the Note Documents, this Agreement and the Bank Documents;
- (d) an opinion of bond counsel for the Authority with respect to the matters set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof and such other matters as the Bank may reasonably request;
- (e) an opinion of the General Counsel of the Authority with respect to the matters set forth in Section 5.5 hereof, which may be qualified by knowledge;
- (f) this Agreement, the Fee Letter and the Bank Note executed on behalf of the Authority;
- (g) an incumbency certificate of the Authority in respect of each of the officers who is authorized to sign this Agreement, the Notes (including the Bank Note), the Fee Letter and the Note Documents on behalf of the Authority;

(h) confirmation that the credit ratings assigned to the Notes (“A3” by Moody’s and “A-” by S&P) by each Rating Agency rating the Notes remains in effect as of the Closing Date;

(i) the Bank shall have determined (in its sole and absolute discretion) that (1) neither the issuance of the Letter of Credit, nor the consummation of any of the transactions contemplated by this Agreement or any of the Note Documents, will violate any law, rule, guideline or regulation (or interpretation or administration thereof) applicable to the Authority, the Bank, the Letter of Credit or this Agreement, and (2) no material adverse change in the financial condition, business, assets, liabilities or prospects of the Authority shall have occurred;

(j) a certificate signed by an Authorized Officer of the Authority to the following effect:

(i) the representations and warranties of the Authority set forth in Article 5 hereof are true and correct in all material respects on and as of the Closing Date as though made on and as of such Closing Date; and

(ii) as of the Closing Date, no event has occurred and is continuing, or would result directly or indirectly from the issuance of the Letter of Credit, which constitutes an Event of Default hereunder or which would constitute a Default hereunder;

(k) the Authority shall have paid all fees and expenses as provide in Section 2.2(a)(i)-(iv) and Section 11.2 hereof.

Section 3.2 Conditions Precedent to Issuance of Notes Subsequent to the Closing Date. As a condition precedent to the issuance of any Notes subsequent to the Closing Date, the Bank shall have received, on or prior to the proposed issuance date therefor, a copy of the Issuance Request submitted by the Authority or the Dealer to the Issuing and Paying Agent (each, an “Issuance Request”). Receipt of a copy of said Issuance Request shall be deemed and treated by the Bank as evidence that the Issuing and Paying Agent has received same and has agreed to authenticate and deliver Notes in an amount equal to the amount requested in said Issuance Request, and as certification by the Authority to the Bank that with respect to such issuance, the Authority is in compliance with the provisions and requirements of Section 2.5 of the Sixty-Ninth Supplemental Resolution.

ARTICLE 4 OBLIGATIONS ABSOLUTE.

The obligations of the Authority under this Agreement, the Fee Letter, the Bank Note and any Term Note shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Authority may have or have had against the Bank, including, without limitation, any defense based on the failure of any demand for payment by the Issuing and Paying Agent to conform to the terms of the Letter of Credit or any failure of the Authority to receive all or any part of the proceeds of the sale of Notes with respect to which such demand for payment was made by the Issuing and Paying Agent of the proceeds of such drawing, and irrespective of the legality, validity, regularity or enforceability of the Letter of Credit, and notwithstanding any termination of the Letter of Credit pursuant hereto.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES.

To induce the Bank to enter into this Agreement and for the Bank to issue the Letter of Credit as provided herein, the Authority makes the following representations and warranties to, and agreements with the Bank:

Section 5.1 Organization, Powers, Etc. The Authority is a body politic and corporate and a political subdivision duly created and validly existing under the Constitution and the laws of the Commonwealth, including the Act, and has full power and authority (a) to issue and sell the Notes, (b) to own its properties and to carry on its activities as now conducted and as contemplated to be conducted in connection with the issuance of the Notes and the execution, delivery and performance of its obligations under the Note Documents and the Bank Documents, (c) to execute, deliver and perform its obligations under the Note Documents and the Bank Documents, and (d) to provide for the security of the Notes, this Agreement and the Letter of Credit pursuant to the Act and the General Resolution; and the Authority has complied with all provisions of applicable law, including the Act, in all matters related to such actions of the Authority as are contemplated by the Note Documents and this Agreement.

Section 5.2 Authorization, Absence of Conflicts, Etc. The execution and delivery or adoption and performance by the Authority of the Note Documents and the Bank Documents and this Agreement (a) have been duly authorized by all necessary action on the part of the Authority, (b) do not and will not conflict with, or result in a violation of, any constitutional provision or any law, including the Act, or any order, writ, rule, regulation, judgment, injunction, decree or award of any court or Governmental Authority binding upon or applicable to the Authority and (c) do not and will not conflict with, result in a violation of, or constitute a default under, any resolution, agreement or instrument to which the Authority is a party or is subject, or by which the Authority or any of its property is bound, or conflict with or constitute a default under or result in the creation or imposition of any security interest, lien, charge or encumbrance (other than the lien on Revenues as set forth in the Sixty-Ninth Supplemental Resolution) on any of its assets pursuant to the provisions of any of the foregoing.

Section 5.3 Binding Obligation. Each of the Note Documents and the Bank Documents, has been duly executed and delivered, or adopted as the case may be, by the Authority, constitutes a legal, valid and binding obligation of the Authority enforceable in accordance with its terms, except to the extent, if any, that the enforceability thereof may be limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium or other similar law of the Commonwealth or the federal government affecting the enforcement of creditors' rights heretofore or hereafter enacted and (b) the fact that enforcement may also be subject to the exercise of judicial discretion in appropriate cases. The Notes issued on the Closing Date have been duly issued, executed and delivered in conformity with the Note Documents and constitute legal, valid and binding obligations of the Authority, enforceable in accordance with their terms, except to the extent, if any, that the enforceability thereof may be limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium or other similar law of the Commonwealth or the federal government affecting the enforcement of creditors' rights heretofore or hereafter enacted and (b) the fact that enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Section 5.4 Compliance with Laws and Contracts. Neither the execution and delivery or adoption by the Authority of this Agreement and the Note Documents to which the Authority is a party, nor the consummation of the transactions herein and therein contemplated, nor compliance with the provisions hereof or thereof will violate any constitutional provision or any law, rule, regulation, order, writ, judgment, injunction, decree or award of any court or Governmental Authority, arbitration, agency or other instrumentality applicable to the Authority binding on the Authority, the Authority's bylaws or other organizational documents or the provisions of any indenture, instrument or agreement to which the Authority is a party or is subject, or by which it or its property is bound, or conflict with or constitute a default under or result in the creation or imposition of any security interest, lien, charge or encumbrance (other than the lien on Revenues as set forth in the Sixty-Ninth Supplemental Resolution) on any of its assets pursuant to the provisions of any of the foregoing.

Section 5.5 Absence of Material Litigation. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any Governmental Authority, court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the Authority, threatened against or affecting the Authority or the Commonwealth, questioning the validity of the Act or any proceeding taken or to be taken by the Authority or the Commonwealth in connection with the execution, delivery and performance by the Authority or the Commonwealth, as applicable, of the Note Documents, or the Bank Documents, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Authority of any of the foregoing.

Section 5.6 No Defaults. No Event of Default or, to the knowledge of the Authority, no Default has occurred and is continuing.

Section 5.7 Financial Condition. The financial statements as of and for the period ended June 30, 2015 supplied to the Bank fairly present the financial status and operating results of the Authority as of such date and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied except as stated in the notes thereto; and except as set forth in the Preliminary Official Statement dated March 28, 2016 prepared with respect to the expected offering of the Authority's Revenue Bonds, 2016 Series B and Revenue Refunding Bonds, 2016 Series C (the "2016 B/C Preliminary Official Statement") and delivered to the Bank, there has not been any material adverse change in the financial condition of the Authority since such date.

Section 5.8 Notes. The Notes have been duly issued under the General Resolution and the Act and are entitled to the benefits thereof

Section 5.9 Offering Memorandum. The Offering Memorandum, a true copy of which will be delivered to the Bank prior to the first issue of Notes under the Sixty-Ninth Supplemental Resolution, will not contain any untrue statement of a material fact and does not and will not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which made, not misleading.

Section 5.10 Governmental Consent or Approval. No consent, license, approval, validation, permit, authorization or order of, or registration, validation, declaration or filing with,

any court or Governmental Authority or other instrumentality not already obtained, given or made is required in connection with the execution, delivery, performance, validity or enforceability of the Note Documents or the Bank Documents.

Section 5.11 Incorporation of Representations and Warranties. The Authority hereby makes to the Bank the same representations and warranties as were made in each of the Note Documents to which it is a party (which representations and warranties, together with related definitions of terms contained therein, are hereby expressly incorporated herein by reference and made for the benefit of the Bank). No amendment to such representations and warranties or definitions made pursuant to the relevant Note Documents shall be effective to amend such representations and warranties and definitions as incorporated herein by reference without the prior written consent of the Bank.

Section 5.12 Complete and Correct Information. All information, reports and other papers and data with respect to the Authority furnished to the Bank were, at the time the same were so furnished, complete and correct in all material respects. Any financial, budget and other projections furnished to the Bank were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent, the Authority's best estimate of its future financial performance. No fact is known to the Authority that materially and adversely affects or in the future may (so far as it can reasonably foresee) materially and adversely affect the security for any of the Notes, or the Authority's ability to pay when due its obligations under the Bank Documents, any of the Note Documents that has not been set forth in 2016 B/C Preliminary Official Statement or in such information, reports, papers and data or otherwise disclosed in writing to the Bank. Taken as a whole, the documents furnished and statements made by the Authority in connection with the negotiation, preparation or execution of the Bank Documents and the Note Documents do not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

Section 5.13 Business of the Authority. The Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any margin stock as defined in Regulation U of the Board of Governors of the Federal Reserve System.

Section 5.14 No Maximum Legal Interest Rate. The Authority is authorized by the laws of the Commonwealth to enter into this Agreement and the transactions contemplated hereby. In accordance therewith, the obligations of the Authority hereunder and under the Bank Documents are not subject to any limitation as to maximum rate of interest payable to regulated financial institutions.

Section 5.15 Insurance. The Authority currently maintains insurance in compliance with the General Resolution.

Section 5.16 Security. The Sixty-Ninth Supplemental Resolution creates the pledge, lien and assignment which it purports to create to secure the Notes as and to the extent provided

herein and in the Sixty-Ninth Supplemental Resolution and is on parity with the pledge created for the payment of Subordinated Bonds in Section 501(b) of the General Resolution subject only to the prior pledge thereof created for the payment of Senior Bonds in Section 501(a) of the General Resolution and constitutes a perfected second-priority lien on Revenues. Except as permitted or contemplated by the General Resolution, the Authority has not pledged or granted a lien, security interest or other encumbrance of any kind on the Revenues.

Section 5.17 No Proposed Legal Changes. There is no amendment or proposed amendment certified for placement on a statewide ballot, or, to the knowledge of the Authority, to the Constitution of the Commonwealth or any published administrative interpretation of the Constitution of the Commonwealth or any law of the Commonwealth, or any legislation that has passed either house of the legislature of the Commonwealth, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect the Notes, or this Agreement or the security thereof or any of the Bank Documents or any Revenues.

Section 5.18 Tax-Exempt Status of Notes. The Authority has not taken any action, and knows of no action that any other Person has taken, which would cause interest on the Notes to be includable in the gross income of the recipients thereof for Federal income tax purposes.

Section 5.19 Employee Benefit Plan Compliance. The Authority is in compliance with its required funding deposits with respect to any employee benefit plan and is otherwise in compliance with terms of any such plan in which the Authority or any of its employees participate in. Neither the Authority nor any employee benefit plan maintained by the Issuer is subject to the Employee Retirement Income Security Act of 1974, as amended.

Section 5.20 Sovereign Immunity. The Authority is not entitled to claim sovereign immunity from any legal proceeding to enforce or collect upon the Bank Documents or any Note Document to which it is a party or with respect to the transactions contemplated hereby or thereby (including without limitation, immunity from service of process and immunity from jurisdiction of court or tribunal in respect of itself).

ARTICLE 6 COVENANTS OF THE AUTHORITY.

During the term of this Agreement, and until the obligations of the Authority to the Bank under this Agreement and the Bank Documents are paid in full and the Bank has no further commitment under the Letter of Credit, unless the Bank shall otherwise consent in writing, the Authority covenants and agrees as follows:

Section 6.1 Notices. The Authority will promptly furnish to the Bank notice of (i) the failure by the Dealer or the Issuing and Paying Agent to perform any of its obligations under the Dealer Agreement and/or Issuing and Paying Agent Agreement respectively, (ii) any proposed substitution of this Agreement, (iii) each event or occurrence of which notice is required to be given to the Bank pursuant to the Note Documents, (iv) the occurrence of any Default or Event of Default; (v) any change by any Rating Agency in the rating on the Notes or on any indebtedness of the Authority.

Section 6.2 Compliance with Laws. The Authority will comply in all respects with any and all provisions of law or orders, writs, judgments, injunctions, decrees, awards, rules or

regulations of any court or Governmental Authority binding upon or applicable to the Authority and material to the Note Documents or this Agreement, or to the operations, affairs, properties, condition (financial or otherwise) or prospects of the Authority.

Section 6.3 Notes; Use of Proceeds of the Notes. The Authority will not allow to be outstanding at any time an amount of Notes on which the aggregate amount of interest payable at any time will exceed the Interest Portion then in effect, and no Note issued pursuant to the Sixty-Ninth Supplemental Resolution shall have a maturity of greater than two hundred seventy (270) days, other than the Bank Note or a Term Note. In no event shall any Note have a maturity beyond the 15th day preceding the Expiration Date of the Letter of Credit. The Authority will cause the proceeds of the Note to be used solely for the purposes set forth in the Sixty-Ninth Supplemental Resolution.

Section 6.4 Related Obligations. The Authority shall promptly pay all amounts payable by it under the Bank Documents and the Note Documents according to the terms thereof and shall duly perform each of its obligations under the Bank Documents and the Note Documents to which it is a party. The Authority shall take such action as may be necessary to enforce the obligations of other Persons owed to the Authority pursuant to the Note Documents.

Section 6.5 Accounting and Reports. The Authority will maintain a standard system of accounting in accordance with Generally Accepted Accounting Principles consistently applied, and will furnish to the Bank two copies of each of the following:

(a) Annual Reports. As soon as practicable and, in any event, within 180 calendar days after the end of each fiscal year of the Authority, a balance sheet of the Authority at the end of such fiscal year and statements of operations, changes in retained earnings, and changes in fund equity and cash flows for the fiscal year then ended, all in reasonable detail prepared in accordance with Generally Accepted Accounting Principles consistently applied and any applicable regulations accompanied by a report and opinion of the Authority's independent accountants (who shall be of nationally recognized standing) which report and opinion shall have been prepared in accordance with generally accepted auditing standards, accompanied by a Compliance Certificate;

(b) Quarterly Reports. As soon as practicable and, in any event, within 60 calendar days after the end of each of the first three fiscal quarters of each fiscal year of the Authority, a balance sheet of the Authority as of the end of such fiscal quarter and the statements of operation and changes in retained earnings, changes in fund equity and cash flows for the portion of the fiscal year then ended, all in reasonable detail prepared in accordance with Generally Accepted Accounting Principles consistently applied and any applicable regulations, subject to normal year-end adjustments, it being understood, however, that such financial statements may not contain all of the explanatory footnotes which accompany the audited year-end financial statements, accompanied by a Compliance Certificate;

(c) Prospectus, Official Statement, Etc. As soon as practicable but in any event within 30 calendar days after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the Authority makes

available in connection with the offering for sale of any bonds or notes of which it is the issuer and copies of any other financial reports or other written information distributed generally to holders of bonds or notes issued by the Authority; *provided, however* in the event the foregoing documents are posted for general review on EMMA the requirements of this subsection (c) may be satisfied by promptly notifying the Bank in writing that the same are available on EMMA;

(d) No Default. Promptly, and in any event within five (5) days after any officer of the Authority obtains knowledge thereof, a certificate of an Authorized Officer for the Authority setting forth the occurrence of any Default or Event of Default, the details thereof and the action which the Authority is taking or proposes to take with respect thereto;

(e) Annual Budget. Upon completion thereof, its annual budget for the next fiscal year and such additional period as may be covered by such budget; and

(f) Other. With reasonable promptness, such other data regarding the financial position or business of the Authority as the Bank may reasonably request from time to time.

Section 6.6 Access to Records. At any reasonable time during business hours and from time to time, and after the occurrence and during the continuance of an Event of Default, at the expense of the Authority, the Authority will permit the Bank or any of its agents or representatives to visit and inspect any of the properties of the Authority, subject to applicable law, to examine the books of account of the Authority (and to make copies thereof and extracts therefrom), and to discuss the affairs, finances and accounts of the Authority with, and to be advised as to the same by its officers, all at such reasonable times and intervals as the Bank may reasonably request.

Section 6.7 Related Documents. The Authority, the Dealer and the Issuing and Paying Agent shall not amend, modify, substitute or terminate, or permit the amendment, modification, substitution or termination of, or consent to, or permit or suffer to occur any action or omission which results in, or is equivalent to, an amendment, modification, substitution or termination of any of the Note Documents without the express written consent of the Bank, except as contemplated by this Agreement, the Dealer Agreement or the Issuing and Paying Agent Agreement, without having first obtained the express written approval of the Bank as to the form and substance of such Note Documents. The Authority shall provide to the Bank executed copies of any such amendments, promptly after the adoption thereof.

Section 6.8 Alternate Liquidity Facility. (a) The Authority agrees to use its best efforts to obtain an Alternate Liquidity Facility to replace the Letter of Credit in the event (A) the Bank shall determine not to extend the Stated Expiration Date (such replacement or conversion to occur on or before the Stated Expiration Date), (B) the Bank shall give a Notice of Termination in accordance with Section 2.1(c) hereof (such replacement or conversion to occur on or before sixty (60) days following receipt of such Notice of Termination), or (C) the Authority terminates this Agreement pursuant to Section 2.1(d) hereof.

(b) The Authority agrees that, as a condition to the effectiveness of any Alternate Liquidity Facility, the provider of the Alternate Liquidity Facility will provide funds,

to the extent necessary, in addition to other funds available, on the date the Alternate Liquidity Facility becomes effective for the purchase of the Bank Note and all Term Notes at a purchase price of par plus accrued interest through the purchase date. On the effective date of such Alternate Liquidity Facility, the Authority shall pay in full all other amounts due under the Bank Documents.

(c) The Authority shall not permit an Alternate Liquidity Facility to become effective with respect to less than all of the Notes without the prior written consent of the Bank.

Section 6.9 Appointment of Successors. The Authority shall not, without the prior written consent of the Bank, which consent shall be delivered promptly and shall not be unreasonably withheld, permit the appointment of a successor Dealer or Issuing and Paying Agent.

Section 6.10 Related Covenants. The Authority will fully and faithfully perform each of the covenants and agreements required of it pursuant to the provisions of the Note Documents, which are incorporated herein by this reference as if fully set forth at this point and made for the benefit of the Bank. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion, report or other instrument or any event or condition be acceptable or satisfactory to any Person, for purposes of this Agreement, such compliance shall be waived, or such provision shall be consented to, only if it is waived or consented to, as the case may be, by the Bank and such document, opinion, report or other instrument shall be acceptable or satisfactory to the Bank. No amendment to such covenants (or the defined terms relating thereto) made pursuant to the Note Documents shall be effective to amend such incorporated covenants without the written consent of the Bank.

Section 6.11 Preservation of Existence. The Authority shall preserve and maintain its existence, rights and privileges in the Commonwealth, and remain qualified and authorized to do business in the Commonwealth. The Authority will not merge or consolidate with another entity or transfer substantially all of its assets to another entity in a way that adversely affects the Authority's obligations under the Bank Documents or the Note Documents.

Section 6.12 Maintenance and Approvals; Filings, etc. The Authority shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of the Bank Documents and the Note Documents to which it is a party.

Section 6.13 Regulation U. The Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purposes of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and will not use the proceeds of the Notes or any amounts paid by the Bank hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System.

Section 6.14 Further Assurances. The Authority shall, upon the request of the Bank, from time to time, execute and deliver and, if necessary, file, register and record such further financing statements, amendments, confirmation statements and other documents and instruments and take such further action as may be reasonably necessary to effectuate the provisions of the Bank Documents and the Note Documents or to validate, preserve and protect the interest of the Bank. Except to the extent it is exempt therefrom, the Authority will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Bank Documents, the Note Documents and such instruments of further assurance.

Section 6.15 Maintenance of Tax-Exempt Status of Notes. The Authority will not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest on any Note from gross income for federal income tax purposes or from personal income taxes levied by the Commonwealth or of such Note from local personal property taxes levied by any political subdivision thereof.

Section 6.16 Indebtedness. The Authority shall not have at any time outstanding bonds, as such term is used in the Act, in an aggregate principal amount in excess of the amount prescribed by the Act.

Section 6.17 Insurance. The Authority will at all times maintain insurance in compliance with the General Resolution.

Section 6.18 Offering Memorandum. The Authority shall not refer to the Bank in any offering memorandum or make any changes in reference to the Bank in any offering memorandum without the Bank's prior written consent thereto except to the extent that the Bank is referred to solely in the context as the provider of a letter of credit for the Notes or in the financial statements of the Authority.

Section 6.19 Sale or Encumbrance of System. The Authority will not sell, lease or otherwise dispose of the System or any part thereof essential to the proper operation of the System or to the maintenance of Revenues. The Authority will not enter into any lease or agreement which impairs the operation of the System or any part thereof necessary to secure adequate Revenues for the payment of principal of and interest on the Notes, or which would otherwise impair the rights of the Bank with respect to the Revenues or the operations of System. The Authority will not mortgage or otherwise encumber, pledge or place any charge upon the System or any part thereof essential to the System or any part thereof, and the Authority will not create any pledge, lien or charge upon any of the Revenues having priority over or having parity with the lien of the Notes, except as otherwise permitted by the General Resolution.

Section 6.20 Credit Facilities. In the event that the Authority shall, directly or indirectly, enter into or otherwise consent to any credit agreement, bond purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplement or modification thereto) under which, directly or indirectly, any Person or Persons undertakes to make or provide funds to purchase Bonds or notes or any other obligations secured by a pledge,

lien or charge upon any of the Revenues on a parity with the lien of the Notes, unless such documentation is available for general review on EMMA, provide the Bank with a copy of each such agreement (or amendment thereto).

Section 6.21 Covenants as to Rates and Charges; Debt Service Coverage Ratio. (a) The Authority shall comply with the provisions set forth in Section 705 of the General Resolution; provided that the Primary Bond Coverage Ratio (as set forth in Section 705(d)(ii)) shall be fixed at 1.2.

(b) At all times the Authority will be required to maintain a minimum rating on the Notes of [REDACTED]. The lowest rating will serve as the basis for determination of compliance with this covenant, and the Authority will be required (at all times) to maintain public debt ratings from two of the three Rating Agencies.

Section 6.22 Performance of Obligations. The Authority shall promptly pay or cause to be paid all amounts payable by it under this Agreement according to the terms hereof and shall duly perform each of its obligations under this Agreement.

ARTICLE 7 DEFAULTS AND REMEDIES.

Section 7.1 Events of Default. Each of the following events shall constitute an “Event of Default” under this Agreement:

(a) Failure to Pay Under This Agreement. Failure by the Authority to pay any amount pursuant to Section 2.2, 2.3 or 2.4 hereof within [REDACTED] days of when due; or

(b) Failure to Pay Notes. Failure by the Authority to pay any principal of or interest on any Note, the Bank Note or any Term Note when due whether under the terms of the Note Documents, this Agreement, the Bank Note or Term Note, as the case may be; or

(c) Certain Covenants. The Authority shall default in the due performance or observance of the covenants set forth in Section 6.3, 6.5(a) and (b), 6.7, 6.8, 6.11, 6.15 or 6.21; or

(d) Other Defaults. Except as set forth in (a), (b) and (c) above, failure by the Authority to perform or observe any other term, covenant or agreement contained in this Agreement or any of the Note Documents, or any of the Bank Documents, provided that any such failure shall not be deemed an Event of Default unless the Authority shall have failed to cure such nonperformance within thirty (30) calendar days after notice given to the Authority by the Bank; or

(e) Warranties, Representations. Any warranty, representation or other written statement made by or on behalf of the Authority contained in this Agreement, or in any of the Note Documents, or in any instrument furnished in compliance with or in reference to any of the foregoing, is false or misleading in any material respect on any date as of which made or intended to be effective; or

(f) Failure to Pay Other Debt. (1) The Authority shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any indebtedness of the Authority secured by a lien on Revenues that is senior to or on a parity with the Notes, and such failure shall continue beyond any applicable period of grace specified in any underlying resolution, indenture, contract or instrument providing for the creation of or concerning such indebtedness, or (2) pursuant to the provisions of any resolution, indenture, contract or instrument providing for the creation of or concerning any Debt of the Authority secured by a lien on Revenues that is senior to or on a parity with the Notes, the maturity of any such Debt secured by a lien on Revenues that is senior to or on a parity with the Notes, as a result of the occurrence of any payment default by the Authority related to principal of or interest on such debt secured by a lien on Revenues that is senior to or on a parity with the Notes under such resolution, indenture, contract or instrument and the continuance of such default beyond any applicable period of grace set forth therein, such indebtedness is or may be accelerated or may be required to be prepaid prior to the stated maturity thereof; or

(g) Bankruptcy, Insolvency, Etc. (1) The Authority shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its Debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Authority shall make a general assignment for the benefit of its creditors; or (2) there shall be commenced against the Authority any case, proceeding or other action of a nature referred to in clause (1) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of [REDACTED] days; or (3) there shall be commenced against the Authority, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within [REDACTED] days from the entry thereof; or (4) the Authority shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (1), (2) or (3) above; or (5) the Authority shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code, or shall admit in writing its inability to pay its Debts; or (6) the Authority or the Commonwealth of Massachusetts or any Governmental Authority having jurisdiction over the Authority imposes a debt moratorium with respect to repayment when due and payable of the principal of or interest on all indebtedness of the Authority secured by a lien on Revenues that is senior to or on a parity with the lien securing the Notes; or

(h) Validity and Enforceability of Obligations. (1) Any provision of this Agreement, the Bank Documents or the Note Documents requiring the Authority to make payments of principal or interest on Bank obligations or Notes or relating to the pledge of and lien on the Revenues shall at any time for any reason cease to be valid and binding on, or fully enforceable against, the Authority as determined by any court or Governmental Authority having appropriate jurisdiction in a final nonappealable judgment, or (2)(i) the validity or enforceability of any provision of Bank Documents or the Note Documents requiring the Authority to make

payments of principal or interest on Bank obligations or Notes or relating to the pledge of and lien on the Revenues shall be contested in writing by an Authorized Officer of the Authority or (ii) any Governmental Authority having appropriate jurisdiction over the Authority shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree pursuant to which any material provision Bank Documents or the Note Documents requiring the Authority to make payments of principal or interest on Bank obligations or Notes or relating to the pledge of and lien on the Revenues shall be null and void, invalid or unenforceable, or (c) an Authorized Officer of the Authority shall deny in writing that the Authority has any or further liability or obligation under Bank Documents or the Note Documents; or

(i) Judgments. A final, nonappealable judgment or order for the payment of money in excess of \$ [REDACTED], payable from Revenues which shall be rendered against the Authority with respect to which, in the reasonable opinion of the Bank, adequate cash reserves have not been established, or other means of satisfying or otherwise funding the judgment have not been undertaken, satisfactory to the Bank and such judgment or order shall continue unsatisfied and unstayed for a period of [REDACTED] days; or

(j) Ratings Downgrade. The long-term unenhanced rating by any of Moody's, Fitch or S&P on any Debt of the Authority secured by Revenues that is senior to or on a parity with the Notes (excluding the Massachusetts Clean Water Trust Obligations) is reduced below "[REDACTED]" (or its equivalent), "[REDACTED]" (or its equivalent) or "[REDACTED]" (or its equivalent), respectively.

Section 7.2 Remedies. The Bank may, in its sole discretion (i) upon the occurrence of an Event of Default exercise all or any of such rights and remedies as it may have under law to protect and enforce its rights under the Act, the General Resolution, the Sixty-Ninth Supplemental Resolution, this Agreement or otherwise by such suits, actions, or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for specific performance of any covenant or agreement contained in the General Resolution, the Sixty-Ninth Supplemental Resolution, or this Agreement, or in aid or execution of any power therein or herein granted or for the enforcement of any proper legal or equitable remedy, and/or (ii) upon the occurrence of an Event of Default, by notice to the Authority, the Dealer and the Issuing and Paying Agent in the form of Annex E to the Letter of Credit, reduce the Stated Amount of the Letter of Credit to the amount of the then outstanding Notes supported by the Letter of Credit and interest payable thereon at maturity of such Notes and further reduce such Stated Amount as the then outstanding Notes are paid, declare the obligation of the Bank to permit Drawings under the Letter of Credit to be terminated and instruct the Issuing and Paying Agent to stop issuing and delivering Notes, which termination and instruction shall take effect as of the commencement of business on the Business Day next following the Business Day on which such notice is received by the Authority and the Issuing and Paying Agent or, if such notice is received prior to 9:30 AM, Boston time, on a Business Day, at the time such notice is received by the Issuing and Paying Agent; and provided, further, that if a Default described in Section 7.1(d) shall be cured prior to the expiration of the cure period, the notice under clause (ii) shall immediately be rescinded; and provided, further, however, that, notwithstanding any such notices as provided above, the obligation of the Bank to permit Drawings under the Letter of Credit shall not terminate with respect to any Notes issued prior to the time provided in this sentence. In addition, from and after the occurrence of any

Event of Default and so long as such Event of Default shall exist, any principal amount of the Bank Note or any Term Note then outstanding shall become due and payable immediately and shall bear interest at the Default Rate from and after such date until payment in full. Further, in the event the Authority shall default in the due performance or observance of any of the covenants set forth in Article 6 hereof, the Authority shall instruct the Issuing and Paying Agent that, until and unless such default shall have been cured and the Authority shall have notified the Issuing and Paying Agent of such cure, during the thirty (30) day calendar period set forth in Section 7.1(d) hereof the Issuing and Paying Agent shall not issue or deliver any Notes except for Notes which (i) finance the principal due on maturing Notes, and (ii) mature not later than ninety (90) days following their date of issuance.

ARTICLE 8 CONTINUING OBLIGATION,

This Agreement is a continuing obligation of the Authority and shall, until the later of the Termination Date or the date upon which all amounts due and owing to the Bank hereunder and under the Bank Note and any Term Note shall have been paid in full (i) be binding upon the Authority, its successors and assigns, and (ii) inure to the benefit of and be enforceable by the Bank and its successors, transferees, assigns and Participants; provided, that the Authority may not assign all or any part of this Agreement without the prior written consent of the Bank.

ARTICLE 9 NATURE OF BANK'S DUTIES.

The Authority agrees with the Bank that the Bank shall not be responsible for, among other things, the validity, genuineness or enforceability of the Notes or documents or endorsements relating thereto (even if the Notes or such documents or endorsements relating thereto should, in fact, prove to be in any and all respects invalid, fraudulent or forged), or any dispute between or among the Authority, the Commonwealth, the Dealer, the Issuing and Paying Agent or any holder of Notes, or any claims whatsoever of the Authority against the Issuing and Paying Agent, any holder of Notes, or any transferee.

Except for its willful misconduct or gross negligence, the Bank shall not be liable or responsible in any respect for (a) any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with the Letter of Credit or (b) any action, inaction or omission which may be taken by it in good faith in connection with the Letter of Credit. The Authority further agrees that any action taken or omitted by the Bank under or in connection with the Letter of Credit or the related draft or documents, if done in good faith without gross negligence, shall be effective against the Authority as to the rights, duties and obligations of the Bank and shall not place the Bank under any liability to the Authority.

ARTICLE 10 BANK REPRESENTATIONS AND COVENANTS.

Section 10.1 Due Authorization, Etc. The Bank represents and warrants that its obligations under this Agreement have been duly and validly authorized by all necessary corporate action and constitute legal, valid and binding obligations of the Bank except to the extent, if any, that the enforceability thereof may be limited by (a) any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of

creditors' rights heretofore or hereafter enacted, and (b) the fact that enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Section 10.2 Massachusetts Taxes. The Bank represents and warrants that to the best of its knowledge and belief the Bank has filed any requisite tax returns and paid any applicable taxes which the Bank is required to have filed or paid, respectively, pursuant to the tax laws of the Commonwealth, its municipalities and political subdivisions, including, but not limited to, provisions relating to the assessment of real and personal property taxes and ad valorem taxes.

Section 10.3 Affirmative Action. The Bank represents and warrants that to the best of its knowledge and belief the Bank has complied and will continue to comply with the affirmative action policies of the Authority, as set forth in Exhibit C attached hereto.

Section 10.4 Annual Reports. Upon request by the Authority, the Bank shall provide the Authority with a copy of its most recent annual report. The Bank will also provide to the Authority and the Dealer, promptly upon the request of either the Authority or the Dealer (a) information concerning the Bank's financial condition or results of operations that has been generally communicated to the public since the date of such audited financial statements, and (b) information describing the Bank for inclusion in the Offering Memorandum or any supplement thereto.

ARTICLE 11 MISCELLANEOUS.

Section 11.1 Amendments. This Agreement may be amended only upon the written agreement of the Authority and the Bank, and the Authority may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Authority shall first obtain the written consent of the Bank. No course of dealing between the Authority and the Bank, nor any delay in exercising any rights hereunder, shall operate as a waiver of any rights of the Bank hereunder.

Section 11.2 Expenses and Indemnification.

(a) Expenses. The Authority agrees to pay promptly the reasonable fees of counsel for the Bank (not to exceed \$██████), plus the reasonable disbursements of the Bank and its counsel, in connection with the preparation, issuance, delivery, filing, and recording, as the case may be, of the Letter of Credit, this Agreement, the Bank Note, the Fee Letter, the Note Documents and any other documents that may be delivered in connection with any of the foregoing. In addition, the Authority agrees to pay promptly all reasonable costs and expenses of the Bank (including reasonable counsel fees and expenses of which the Authority receives prior notice) in connection with (i) the transfer, amendment, maintenance, extension, renewal or cancellation of the Letter of Credit, (ii) any and all amounts that the Bank has paid relative to the Bank's curing of any Event of Default under this Agreement or any of the Note Documents, (iii) the enforcement of this Agreement or any of the Note Documents, or (iv) any action or proceeding relating to a court order, injunction, or other process or decree restraining or seeking to restrain the Bank from paying any amount under the Letter of Credit. In addition, the Authority shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of the Letter of Credit,

this Agreement or the Note Documents, and any other documents which may be delivered in connection with this Agreement, and agrees to save the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees.

(b) Indemnification. To the extent not prohibited by applicable law, the Authority hereby indemnifies and holds the Bank harmless from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses (including all reasonable and necessary counsel fees and expenses) that the Bank may incur or that may be claimed against the Bank by any person or entity by reason of or in connection with the execution and delivery or transfer of, or payment or failure to make lawful payment under, the Letter of Credit, the issuance, sale and delivery of the Notes or by reason of any untrue statement or alleged untrue statement of any material fact contained in the Offering Memorandum, or the omission or alleged omission to state therein a material fact necessary to make such statements, in light of the circumstances under which they are or were made, not misleading; provided, that the Authority shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses incurred by reason of the information which was expressly provided in writing by the Bank for inclusion in Appendix A in the Offering Memorandum regarding the Bank (the "Bank Information"), if and to the extent it is finally determined by a court of competent jurisdiction that such Bank Information contained an untrue statement; provided, further, however, that the Authority shall not be required to indemnify the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the Bank's failure to satisfy its obligations under Section 11.6 hereof, or caused by the Bank's gross negligence or willful misconduct in connection with its obligations hereunder. Nothing in this Section 11.2 is intended to limit the Authority's obligations contained in Article 4. Without prejudice to the survival of any other obligation of the Authority hereunder, the indemnities and obligations of the Authority contained in this Section 11.2 shall survive the payment in full of amounts payable pursuant to Article 2 and the termination of the Letter of Credit. In case any claim is asserted or any action or proceeding is brought against the Bank, the Bank shall promptly notify the Authority of such claim, action or proceeding and the Authority shall resist, settle or defend with counsel reasonably acceptable to the Bank, such claim, action or proceeding. If, within ten (10) days of the Authority's receipt of such notice, the Authority does not commence and continue to prosecute the defense of such claim, action or proceeding, the Bank may retain counsel to represent it in such defense and the reasonable fees and expenses of the Bank's counsel shall be deemed to be a necessary expense for the purpose of this Section 11.2. Subject to the foregoing, the Bank shall cooperate and join with the Authority, at the expense of the Authority, as may be required in connection with any action taken or defended by the Authority.

(c) Libor Breakage Fee. The Authority shall pay to the Bank, upon the request of the Bank, such amount or amounts necessary to compensate the Bank for any loss (including, in the case of LIBOR Loans, loss of profit), cost or expense incurred by the Bank (reasonably determined by the Bank) as a result of:

(i) any payment or conversion of a LIBOR Loan held by the Bank on a date other than the last day of the Interest Period for such LIBOR Loan (including without limitation any such conversion permitted under Section 2.4); or

(ii) any failure by the Authority to convert into or continue a LIBOR Loan on the date for such conversion or continuance or otherwise;

such compensation to include, without limitation, an amount equal to: (A) any loss or expense suffered by the Bank during the period from the date of receipt of such early payment or prepayment or the date of such conversion or failure to convert or continue to the last day of such Interest Period, if the rate of interest obtainable by the Bank upon the redeployment of an amount of funds equal to the LIBOR Loans so paid, prepaid or converted or as to which such failure to convert or continue applies is less than the rate of interest applicable to such LIBOR Loans for such Interest Period, and (B) any loss or expense suffered by the Bank in liquidating LIBOR deposits prior to maturity which the Bank is unable to redeploy and which correspond to the LIBOR Loans so paid, prepaid or converted. The determination by the Bank of the amount of any such loss or expense, when set forth in a written notice to the Authority, containing the Bank's calculation thereof in reasonable detail, shall be presumed correct in the absence of manifest error.

(d) Survival. The provisions of this Section 11.2 shall survive the termination of this Agreement and the Letter of Credit.

Section 11.3 Set-Off. Upon the occurrence and during the continuance of any Event of Default, the Bank is hereby authorized at any time and from time to time, without notice to the Authority (any such notice being expressly waived by the Authority) and to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and any other indebtedness at any time owing by the Bank, to or for the credit or the account of the Authority against any and all of the obligations of the Authority now or hereafter existing under this Agreement, irrespective of whether or not such demand shall have been made hereunder and although such obligations may be unmatured.

Section 11.4 Notices. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the Authority, the Dealer, the Issuing or Paying Agent or the Bank, shall be deemed or have been sufficiently given or filed for all purposes when delivered by hand, nationally recognized overnight delivery service, or when sent by registered mail, return receipt requested, postage prepaid, or, if given by facsimile transmission when receipt is acknowledged by the individual or an authorized representative of the entity specified below; *provided* that any such notice, demand, direction, request or other instrument to the Bank shall be effective only when actually received by the Bank:

If to the Authority

Massachusetts Water Resources Authority

[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
Treasury@mwra.com

If to the Issuing or Paying Agent

[REDACTED]
[REDACTED]
[REDACTED]
Alison.nadeau@usbank.com

If to the Dealer

Goldman, Sachs & Co.
200 West Street, 5th Floor
New York, NY 10282

Morgan Stanley & Co.
85 Broad Street
New York, NY 10004

If to the Bank:

TD Bank, N.A.
[REDACTED]
Thomas.horsman@td.com

Section 11.5 Participation. The Bank may sell, assign, transfer, pledge, negotiate or arrange for other banking institutions of the Bank's choosing (each, a "Participant") to participate in all or any portion of the Bank's obligations under the Letter of Credit and of the obligations of the Authority evidenced hereby, by the Bank Note or by any Term Note; provided, however, that no such participation is permitted to relieve the Bank of its obligations under the Letter of Credit. The Bank may also sell risk participations in this Agreement and in the Authority's obligations hereunder to other banking or financial institutions of the Bank's choosing. The Bank shall provide written notice to the Authority of any such participation. In calculating any additional amounts owing to the Bank under Section 2.3 hereof, any participation or risk participation referred to in this Section 11.5 shall be disregarded as if there had been no such participation. The Authority shall not be required to enter into any agreement or other similar agreement with any such other institution with respect to any Note or this Agreement. The Authority agrees that each Participant shall be entitled to the benefit of the cost protection and reimbursement provisions of this Agreement contained in Section 11.2(a) hereof to the same extent that the Bank would be entitled had the Bank not sold a participation to such Participant. No participation by any Participant shall in any way affect the obligation of the Bank under this Agreement and no Participant shall be entitled to receive payment hereunder of any amount greater than the amount which would have been payable had the Bank not granted a participation to such Participant. Regardless of any such participation by other banking institutions, the Authority shall deal directly with the Bank with respect to the Letter of Credit and the obligations evidenced hereby and by the Bank Note or by any Term Note. Any expenses incurred in connection with any such participation shall be borne by the Bank. No such other banking

institution shall enter into any reimbursement or other similar agreement with the Authority with respect to the Letter of Credit or this Agreement.

Section 11.6 Liability of the Bank. Neither the Bank nor any of its officers or directors shall be liable or responsible for (a) the use that may be made of the Letter of Credit or for any acts or omissions of the Issuing and Paying Agent and any transfer in connection therewith; (b) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (c) payment by the Bank against presentation of documents that do not comply with the terms of the Letter of Credit, including failure of any documents to bear any reference or adequate reference to the Letter of Credit; or (d) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except only that the Authority shall have a claim against the Bank, and the Bank shall be liable to the Authority, to the extent of any damages suffered by the Authority by (i) the Bank's willful misconduct or gross negligence in determining whether documents presented under the Letter of Credit comply with the terms of the Letter of Credit, or (ii) the Bank's willful failure or gross negligence in failing to pay under the Letter of Credit after the presentation to it by the Issuing and Paying Agent of a sight draft and certificate strictly complying with the terms and conditions of the Letter of Credit. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary; provided, that if the Bank shall receive written notification from the Authority or the Issuing and Paying Agent that sufficiently identified (in the opinion of the Bank) documents to be presented to the Bank are not to be honored, the Bank agrees that it will not honor such documents.

Section 11.7 Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the Commonwealth.

Section 11.8 Waiver of Trial by Jury; Sovereign Immunity Not Applicable. TO THE FULL EXTENT PERMITTED BY LAW, THE AUTHORITY AND THE BANK EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY FOR ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY OTHER DOCUMENT DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY BANK AFFILIATE, PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE AUTHORITY AND THE BANK TO ENTER INTO THIS AGREEMENT AND THAT THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE AUTHORITY AND THE BANK IS MADE IN RELIANCE UPON SUCH WAIVER. THE AUTHORITY AND THE BANK EACH FURTHER WARRANT AND REPRESENT THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE BY EACH PARTY HERETO, FOLLOWING CONSULTATION WITH THEIR RESPECTIVE LEGAL COUNSEL; AND

TO THE FULLEST EXTENT PERMITTED BY LAW, THE AUTHORITY WAIVES AND REPRESENTS THAT THE AUTHORITY IS NOT ENTITLED TO SOVEREIGN IMMUNITY FROM ANY LEGAL PROCEEDINGS TO ENFORCE OR COLLECT UPON

THIS AGREEMENT OR ANY RELATED DOCUMENT TO WHICH IT IS A PARTY OR WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (INCLUDING, WITHOUT LIMITATION, IMMUNITY FROM SERVICE OF PROCESS AND IMMUNITY FROM JURISDICTION OF ANY COURT OR TRIBUNAL IN RESPECT OF ITSELF). TO THE EXTENT THAT THE AUTHORITY HAS OR HEREAFTER MAY ACQUIRE UNDER ANY APPLICABLE LAW ANY RIGHT TO IMMUNITY FROM SET-OFF OR LEGAL PROCEEDINGS ON THE GROUNDS OF SOVEREIGNTY, THE AUTHORITY HEREBY IRREVOCABLY WAIVES, TO THE EXTENT PERMITTED BY LAW, SUCH RIGHTS TO IMMUNITY FOR ITSELF IN RESPECT OF ITS OBLIGATIONS ARISING UNDER OR RELATED TO THIS AGREEMENT OR THE RELATED DOCUMENTS TO WHICH IT IS A PARTY.

Section 11.9 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Section 11.10 Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 11.11 Survival. All representations, warranties, covenants and agreements of the Authority contained in this Agreement as amended or supplemented from time to time or made in writing in connection herewith shall survive the execution and delivery hereof and shall continue in full force and effect until payment in full of all the obligations of the Authority hereunder and with respect to the Bank Note and all Term Notes, it being understood that the agreements of the Authority found in Sections 2.2, 2.3, 2.4 and 11.2 hereof shall survive the termination of this Agreement and payment in full of such obligations.

Section 11.12 Assignment to Federal Reserve Bank. The Bank may assign and pledge Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Reserve System and any Operating Circular issued by such Federal Reserve Bank, provided that any payment in respect of such assigned obligations made by the Authority to the Bank in accordance with the terms of this Agreement shall satisfy the Authority's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

Section 11.13 USA PATRIOT Act Notice. The Bank hereby notifies the Authority that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act.

<The remainder of this page is intentionally left blank.>

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

TD BANK, N.A.

By: _____

MASSACHUSETTS WATER RESOURCES AUTHORITY,
as Authority

By _____

EXHIBIT A

IRREVOCABLE DIRECT PAY LETTER OF CREDIT NO. _____

Dated: _____

ISSUING BANK:

TD Bank, N.A.
200 State Street, 10th Floor
Boston, MA 02109

BENEFICIARY:



Massachusetts Water Resources Authority
100 First Avenue
Charlestown Navy Yard
Boston, MA 02129

Amount/Currency:
USD \$161,095,891

Date and Place of Expiry:
_____, 2019
Mt. Laurel, NJ

At the request and pursuant to the instructions of the Massachusetts Water Resources Authority (the "Authority"), we hereby establish for the account of the Authority, in your favor, as Issuing and Paying Agent (the "Issuing and Paying Agent"), pursuant to an Issuing and Paying Agent Agreement, dated as of _____, 2016, between you and the Authority (together with all amendments and supplements thereto, the "Issuing and Paying Agent Agreement") and under the Authority's Sixty-Ninth Supplemental Resolution Authorizing The Issuance of \$150,000,000 Tax Exempt Commercial Paper Notes, Series 2016, adopted on October 14, 2015 (together with all supplements and amendments thereto, the "Commercial Paper Resolution"), pursuant to which the Authority's Tax Exempt Commercial Paper Notes, Series 2016 (including Notes issued for the purpose of refunding such Notes, the "Notes") are authorized to be issued, for the benefit of the holders of the Notes, our Irrevocable Direct Pay Letter of Credit No. _____ (this "Letter of Credit") in an initial stated amount equal to \$161,095,891 (the "Stated Amount") of which (i) an amount not exceeding \$150,000,000 may be drawn upon by the Issuing and Paying Agent for Principal Drawings, as defined below, and (ii) an amount not exceeding \$11,095,891 (said amount being equal to 270 days of interest on the Notes at an interest rate of ten percent (10%) per annum calculated on the basis of a 365-day year) may be drawn upon for Interest Drawings (as defined below).

This Letter of Credit shall expire on the close of business on _____, 2019 (the "Letter of Credit Expiration Date"); provided that this Letter of Credit may be extended upon our

delivery to you of a Notice of Extension substantially in the form attached hereto as Annex A. Notwithstanding the foregoing, this Letter of Credit shall expire earlier than the Letter of Credit Expiration Date upon the date as of which this Letter of Credit is canceled by notice from the Authority and the Issuing and Paying Agent to us substantially in the form of the certificate attached hereto Annex B. In the event that the Letter of Credit Expiration Date as specified in this paragraph shall be scheduled to occur on a date other than a Business Day (as defined below), this Letter of Credit shall expire on the close of business on the Business Day next following the scheduled date of expiration. For purposes of this Letter of Credit, the term “Letter of Credit and Reimbursement Agreement” shall mean the Letter of Credit and Reimbursement Agreement, dated as of April 1, 2016 between the Authority and us, and all terms not otherwise defined herein shall have the meanings assigned thereto in said Agreement.

Drawings may be made under this Letter of Credit in accordance with the terms hereof as hereinafter set forth. Multiple Drawings may be made under this Letter of Credit; provided that each Drawing honored by us shall reduce the Stated Amount available to be drawn under this Letter of Credit as of the date of any Drawing by the amount of such Drawing. After (i) any reduction of the Stated Amount to be drawn under this Letter of Credit as provided herein below or pursuant to Section 2.1(e) of the Letter of Credit and Reimbursement Agreement or (ii) any extension of the Letter of Credit Expiration Date, we may, at our option, deliver to the Issuing and Paying Agent a substitute letter of credit in an amount equal to the undrawn amount under this Letter of Credit reflecting the extended expiration date or we may, at our option, deliver a substitute letter of credit reflecting the reduction in the Stated Amount (but otherwise having terms identical to this Letter of Credit), in each case, upon surrender to us by the Issuing and Paying Agent of this Letter of Credit. No Drawing under this Letter of Credit shall be honored in an amount exceeding the Stated Amount to be drawn under this Letter of Credit at the time of such Drawing.

Funds under this Letter of Credit are available to you, as the Issuing and Paying Agent, against sight drafts drawn on and presented to us in the form of Annex C attached hereto, purportedly signed by one of your duly authorized officers and accompanied by our signed written certificate in the form of Annex D attached hereto appropriately completed, which certificate will indicate the amount of such Drawing related to the payment of principal of the Notes (a “Principal Drawing”) and the amount of such Drawing related to the payment of interest on the Notes (an “Interest Drawing”).

Each Principal Drawing and Interest Drawing may be delivered to us in person, by mail, by a delivery service or by telecopy transmission at such number as is indicated below or as we shall notify you in writing from time to time. Such a Drawing shall be deemed to have been presented on the date actually received by us. The certifications you are required to submit to us along with each such Drawing should be prepared either (y) in the form of a letter on your letterhead purportedly signed by your authorized officer or (z) in the form of a facsimile copy of such a letter sent by one of your authorized officers to the following number (with the original of any such certifications, drafts and letters to be delivered to us on the next succeeding Business Day):

Drawings in respect of payments hereunder honored by us shall not, in the aggregate, exceed the Stated Amount, as the Stated Amount may have been reduced or reinstated by us as

set forth below. Subject to such reinstatement, each such Drawing honored by the Bank hereunder shall reduce the Stated Amount under this Letter of Credit by the amount of such Drawing.

After an Interest Drawing, our obligation to honor drawings under this Letter of Credit with respect to interest on Notes will be automatically reinstated on the date of our receipt of the reimbursement of all amounts due to us with respect to such Interest Drawing (in accordance with the terms of the Letter of Credit and Reimbursement Agreement), such reinstatement to be in an amount equal to the amount of such Interest Drawing.

After a Principal Drawing, our obligation to honor Drawings under this Letter of Credit with respect to the payment of principal of the Notes will be automatically reinstated on the date of our receipt of the reimbursement of all amounts due to us with respect to such Principal Drawing (in accordance with the terms of the Letter of Credit and Reimbursement Agreement), such reinstatement to be in an amount equal to the amount of such Principal Drawing.

Subject to the foregoing and the further provisions of this Letter of Credit, payment under this Letter of Credit may be demanded by the Issuing and Paying Agent by presentation on a “Business Day” at the office of [REDACTED]

[REDACTED] - (or such other location or the attention of such other individual as we shall specify by notice to the Issuing and Paying Agent and the Authority) of such sight draft and certificate(s). For purposes of this Letter of Credit, a “Business Day” shall mean any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the State of New York or The Commonwealth of Massachusetts are authorized or required to close, (iii) a day on which the Issuing and Paying Agent is required or authorized by law to be closed, or (iv) a day on which the New York Stock Exchange is closed. We will pay all drawings under this Letter of Credit with our own funds as provided herein.

If the certificate in the form of Annex D presented indicates that that we shall effect payment in immediately available funds; we shall effect payment in immediately available funds, we will initiate the wire transfer of such payment no later than 2:00 P.M. (New York City time) on the same day (or such later date as is indicated) the draft and certificate are received if received no later than 12:30 P.M. (New York City time) or no later than 2:00 P.M. (New York City time) on the next Business Day (or such later date as is indicated) if received thereafter.

If a demand for payment made by the Issuing and Paying Agent does not conform to the terms and conditions of this Letter of Credit, we will notify the Issuing and Paying Agent thereof, by notice in electronic, telephonic or written (including bank wire, telegram, telecopier, telex or similar writing) form, within six hours (including only hours or portion thereof occurring between 9:00 A.M. and 5:00 P.M. (New York City time) on a Business Day) after our receipt of such demand for payment, and any such electronic or telephonic notice shall be promptly confirmed by written notice to the Issuing and Paying Agent and the Authority. Any such notice shall state that the purported negotiation was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefor and that we are holding any documents at your disposal or are returning the same to you, as we may elect. Upon being notified that the purported negotiation was not effected in accordance with this Letter of Credit,

you may attempt to correct any such nonconforming demand for payment if, and to the extent that, you are entitled without regard to the provisions of this sentence and you are able to do so.

This Letter of Credit sets forth in full terms of our undertaking and shall not in any way be amended, amplified or limited by reference to any document, instrument or agreement referred to herein or which this Letter of Credit is referred to or to which this Letter of Credit relates, except for the certificates referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates.

This Letter of Credit is transferable and retransferable in its entirety (but not in part) to any transferee who has succeeded you as Issuing and Paying Agent pursuant to the Commercial Paper Resolution and may be successively transferred. Transfer of this Letter of Credit to such transferee shall be effected by the presentation to such successor Issuing and Paying Agent of this Letter of Credit and delivery to us of a certificate substantially in the form of Annex E to this Letter of Credit. After any such transfer of this Letter of Credit, we may at our option deliver to the successor Issuing and Paying Agent a substitute letter of credit in an amount equal to the Stated Amount of this Letter of Credit and having terms identical to this Letter of Credit upon surrender to us of this Letter of Credit, or may endorse the Letter of Credit to the transferee.

Only the Issuing and Paying Agent or transferee who has succeeded you as Issuing and Paying Agent under the Commercial Paper Resolution may make a Drawing under this Letter of Credit. Upon the termination of this Letter of Credit we shall be fully discharged of our obligation hereunder. This Letter of Credit shall be promptly surrendered to us by the Issuing and Paying Agent or your transferee upon such termination.

To the extent consistent with the express provisions hereof, this letter of credit shall be governed by and construed in accordance with the uniform customs and practices for Documentary Credits (2007 revision), International Chamber of Commerce Publication No. 600, or any successor publication thereto (the "UCP") and, to the extent consistent with the UCP and the express provisions hereof, the laws of the Commonwealth of Massachusetts.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Note Documents and the Notes), except only the certificate(s), the sight drafts and the UCP referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificate(s) and such sight draft(s).

Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at the address set forth above specifically referring to the number of this Letter of Credit.

TD BANK, N.A.

By: _____

A black rectangular redaction box covering the signature of the representative of TD Bank, N.A.

ANNEX A

NOTICE OF EXTENSION

Massachusetts Water Resources Authority



Ladies and Gentlemen:

TD Bank, N.A. hereby extends the stated expiration date of its Irrevocable Direct Pay Letter of Credit No. _____ to _____,

Very truly yours,

TD BANK, N.A.

By: _____
Name:
Title:

ANNEX B

CERTIFICATE OF CANCELLATION

TD BANK, N.A.
6000 Atrium Way
Mount Laurel, NJ 08054

Attention: Standby Letter of Credit Department

Re: Irrevocable Direct Pay Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned, a duly authorized officer of U.S. Bank, National Association (the "Issuing and Paying Agent"), hereby surrenders the above-referenced Letter of Credit to you for cancellation and hereby instructs you to cancel the same, effective on the date of your receipt of this Certificate.

By its execution hereof, the Massachusetts Water Resources Authority hereby certifies to the Bank and to the Issuing and Paying Agent that all conditions precedent to the cancellation of the Letter of Credit have been satisfied and that after giving effect to the cancellation of the Letter of Credit there shall be no Notes outstanding except Notes (if any) that were not sold in reliance on the Letter of Credit and hereby joins in the Issuing and Paying Agent's instructions to the Bank to cancel the same.

All capitalized terms used herein and not defined shall have the respective meanings assigned to such terms in the above referenced Letter of Credit.

IN WITNESS WHEREOF, the Issuing and Paying Agent and the Massachusetts Water Resources Authority have executed and delivered this Certificate as of the ____ day of _____



By: _____

Name:

Title:

MASSACHUSETTS WATER RESOURCES
AUTHORITY

By: _____

Name:

Title:

ANNEX C
FORM OF DRAFT

Dated: _____

TD BANK, N.A.

[REDACTED]

[REDACTED]

Re: Irrevocable Direct Pay Letter of Credit No.

Pay to the order of U.S. Bank, National Association the amount of \$_____ drawn on TD Bank, N.A., as issuer of its Irrevocable Direct Pay Letter of Credit No. _____ dated _____. Funds payable to the Issuing and Paying Agent shall be wired to

[REDACTED]

[REDACTED]

By: _____

Name:

Title:

ANNEX D

CERTIFICATE FOR PRINCIPAL AND INTEREST DRAWING

TD Bank, N.A.
[REDACTED]
[REDACTED]

Re: Irrevocable Direct Pay Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned, a duly authorized officer of U.S. Bank, National Association, as Issuing and Paying Agent (the "Issuing and Paying Agent"), hereby certifies to TD Bank, N.A. (the "Bank"), that:

(1) The Issuing and Paying Agent is the Issuing and Paying Agent under the Commercial Paper Resolution.

(2) The Issuing and Paying Agent is making a drawing under the above referenced Letter of Credit pursuant to the sight draft accompanying this certificate in the amount of \$_____ to provide moneys to pay \$_____ principal amount of the Notes at their maturity and to pay \$_____ of accrued interest on such Notes which is due and payable pursuant to and in accordance with the Commercial Paper Resolution.

(3) The amounts demanded hereby do not exceed the amounts available for their respective purpose on the date hereof to be drawn for such purpose under the above referenced Letter of Credit.

(4) The Notes, the principal of which is being paid by the Issuing and Paying Agent (i) have become due and payable pursuant to and in accordance with the Commercial Paper Resolution, and (ii) were issued prior to receipt of any notice from you under Section 2.1(c) or 7.2 of the Letter of Credit and Reimbursement Agreement declaring your obligation to permit Drawings under the Letter of Credit to be terminated except with respect to Notes issued prior to receipt of such notice (or on or prior to such date if notice was not received before 9:30 A.M. (New York City time)).

(5) (a) Upon receipt by the Issuing and Paying Agent of the amount demanded hereby, the Issuing and Paying Agent will apply \$_____ directly to the payment of the principal amount of the Notes which is due and payable and \$_____ directly to the payment of accrued interest on such Notes which is due and payable, and (b) no portion of said amount in 5(a) above, shall be commingled with other funds held by the Issuing and Paying Agent, and (c) no portion of said amount in 5(a) above shall be applied by the Issuing and Paying Agent for any purpose other than as set forth herein.

(6) The amount of the drawing accompanying this Certificate was computed in accordance with the terms and conditions of the Letter of Credit and the Commercial Paper Resolution.

(7) This Drawing will be effected by means of wire transfer.

All capitalized terms used herein and not defined shall have the respective meanings assigned to such terms in the above referenced Letter of Credit.

IN WITNESS WHEREOF, the Issuing and Paying Agent has executed and delivered this Certificate as of the _____ day of _____.



By: _____
Name:
Title:

ANNEX E
NOTICE OF TERMINATION BY ISSUING BANK

Date: _____

Massachusetts Water Resources Authority

Goldman, Sachs & Co.
200 West Street, 5th Floor
New York, NY 10282

Morgan Stanley & Co.
85 Broad Street
New York, NY 10004

Re: Irrevocable Direct Pay Letter of Credit No. _____

Ladies and Gentlemen:

Capitalized terms are used with the meanings set forth for those terms in the Letter of Credit referred to above. We hereby terminate your ability to make Drawings with respect to the Letter of Credit referred to above, provided that this notice shall not terminate your ability to make Drawings with respect to (i) Notes issued prior to the date of receipt of this notice if this notice is received by you prior to 9:30 A.M. (New York City time) on such date, and (2) Notes issued on or prior to the date of receipt of this notice if this notice is received by you after 9:30 A.M. (New York City time) on such date.

As provided in subsection 7.2(ii) of the Letter of Credit and Reimbursement Agreement, the Stated Amount of the Letter of Credit is hereby reduced to the amount of outstanding Notes supported by this Letter of Credit (as set forth in your notice to us referred to below) and interest payable thereon at maturity of such Notes, and the Stated Amount hereof shall be automatically further reduced as such outstanding Notes are paid. Further, we hereby instruct the Issuing and Paying Agent to stop issuing and delivering Notes, which termination and instruction shall take effect as of the commencement of business on the Business Day next following the Business Day on which this notice is received by you or, if this notice is received by you prior to 9:30 AM, New York time, on a Business Day, at the time this notice is received by you.

As provided in the Issuing and Paying Agent Agreement, upon receipt of this notice, you shall notify us no later than the Business Day immediately succeeding the date you receive such notice as to (i) the aggregate principal amount of Notes outstanding as of the close of business on the date you receive such notice, (ii) the amount of interest payable with respect to such Notes on the respective maturity date(s) thereof, and (iii) the applicable maturity dates of such Notes.

Very truly yours,

TD BANK, N.A.

By: _____

Name:

Title:

ANNEX F
INSTRUCTION TO TRANSFER

[Date]

TD Bank, N.A.
[Redacted]
[Redacted]

Re: Irrevocable Direct Pay Letter of Credit No. _____

Ladies and Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably advises you that it transferred to:

(Name of Transferee)

(Address)

all rights of the undersigned beneficiary to draw under the above-captioned Letter of Credit. The transferee has succeeded the undersigned as Issuing and Paying Agent under the Commercial Paper Resolution (as defined in the Letter of Credit). Accordingly, all payments to [name of successor Issuing and Paying Agent] under the Letter of Credit should be made to [account and name].

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof; provided, however, that no rights shall be deemed to have been transferred to the transferee until such transfer complies with the requirements of the Letter of Credit and the Commercial Paper Resolution pertaining to transfers.

Very truly yours,

[Redacted Signature]

By: _____
Name:
Title:

EXHIBIT B

FORM OF BANK NOTE

\$161,095,891

April __, 2016

FOR VALUE RECEIVED, the undersigned, MASSACHUSETTS WATER RESOURCES AUTHORITY (the "Borrower"), hereby promises to pay to the order of TD BANK, N.A. (the "Bank"), at [REDACTED] or at such other place as the holder of this Note shall designate in writing to the Authority, on or before the Letter of Credit Expiration Date, in lawful money of the United States of America and in immediately available funds, the principal amount of One Hundred Sixty One Million Ninety Five Thousand Eight Hundred Ninety One Dollars (\$161,095,891) or, if less, the aggregate unreimbursed principal amount of the Principal Drawings and Interest Drawings advanced by the Bank pursuant to the Letter of Credit (other than in respect of any Drawing for which a Term Loan Conversion has occurred). Terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Letter of Credit and Reimbursement Agreement dated as of April 12, 2016 between the Bank and the Borrower (as amended from time to time, the "Agreement").

The Borrower further promises to pay (a) principal outstanding hereunder from time to time as provided in the Agreement, and (b) interest from the date hereof on the principal amount from time to time unpaid to and including the maturity hereof at the rates and times and in all cases in accordance with the terms of the Agreement. The Bank may endorse its records relating to this Bank Note with appropriate notations evidencing the advance of moneys pursuant to unreimbursed Principal Drawings and Interest Drawings pursuant to the Letter of Credit and payments of principal hereunder as contemplated by the Agreement.

This Bank Note is issued pursuant to, is entitled to the benefits of, and is subject to, the provisions of the Agreement and the Sixty-Ninth Supplemental Resolution. The principal of this Bank Note is subject to prepayment in whole or in part at any time.

This Bank Note is given for money borrowed for the use of the Authority under authority of applicable law. This Bank Note constitutes a valid and binding obligation of the Authority issued under the Sixty-Ninth Supplemental Resolution, and is payable solely from the proceeds of bonds or notes subsequently issued by the Authority, from the proceeds of subsequent borrowings by the Authority under said Sixty-Ninth Supplemental Resolution and, as provided in the General Resolution, from certain moneys held for the credit of the _____ established under Section ____ of said _____.

The parties hereto, including the undersigned maker and all guarantors, endorsers and pledgors that may exist at any time with respect hereto, hereby waive presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Bank Note and assent to the extensions of the time of payment or forbearance or other indulgence without notice.

This Bank Note shall not be deemed to constitute a debt of The Commonwealth of Massachusetts (the "Commonwealth") or of any political subdivision thereof or a pledge of the faith and credit of the Commonwealth or of any such political subdivision. Neither the faith and

credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest of this Bank Note.

THIS BANK NOTE AND THE OBLIGATIONS OF THE BORROWER HEREUNDER SHALL FOR ALL PURPOSES BE GOVERNED BY AND INTERPRETED AND DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW).

IN WITNESS WHEREOF, the MASSACHUSETTS WATER RESOURCES AUTHORITY has caused this Bank Note to be signed in its corporate name as an instrument under seal by its duly authorized officer on the date and in the year first above written.

MASSACHUSETTS WATER RESOURCES
AUTHORITY

By: _____
Name:
Title:

Exhibit B to Letter of Credit and Reimbursement Agreement

REPAYMENTS OF PRINCIPAL

Repayments of principal on this Bank Note were made on the dates and in the amounts specified below:

<u>Date</u>	<u>Amount of Principal Repaid</u>	<u>Balance of Principal Unpaid</u>	<u>Notation Made By:</u>
-------------	---------------------------------------	--	--------------------------

EXHIBIT C

NON-DISCRIMINATION AND AFFIRMATIVE ACTION

In accordance with policies adopted by the Massachusetts Water Resources Authority (the “Authority”), TD Bank, N.A. (the “Bank”), further agrees with respect to its exercise of all uses, rights, privileges and obligations granted or required herein as follows:

1.1. The Bank shall not discriminate against any person, employee or applicant for employment because of that person’s membership in any legally protected class, including but not limited to their race, color, gender, religion, creed, national origin, ancestry, age being greater than forty years, sexual orientation, handicap, genetic information, or veteran status. The Bank shall not discriminate against any person, employee, or applicant for employment who is a member of, or applies to perform service in, or has an obligation to perform service in, a uniformed military service of the United States, including the National Guard, on the basis of that membership, application, or obligation and shall undertake affirmative action measures designed to guarantee and effectuate equal employment opportunity for all persons.

1.2. The Bank will provide all information and reports pertinent to the Authority’s Equal Employment, Anti-Discrimination and Affirmative Action requirements requested by the Authority.

1.3. The Bank shall comply with all federal and state laws pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.

1.4. The Bank’s non-compliance with any provision of this Exhibit C shall constitute a material breach of this Agreement, for which the Authority may, in its discretion, upon failure to cure said breach within thirty (30) days of written notice thereof, terminate this Agreement upon ten (10) days written notice.

EXHIBIT D
FORM OF COMPLIANCE CERTIFICATE

Exhibit D to Letter of Credit and Reimbursement Agreement

EXHIBIT E

FORM OF NOTICE OF TERM LOAN CONVERSION

TD Bank, N.A.
[REDACTED]

Attention: [REDACTED]

Pursuant to subsection 2.4(b) of the Letter of Credit and Reimbursement Agreement, dated as of _____, 2016, between us and you (the "Agreement"), please be advised that \$_____ of its outstanding indebtedness owed to you as of this date has been automatically converted to a Term Loan, such Term Loan to bear interest at the Term Loan Rate and be payable at the times and place set forth in the Agreement and in the related Term Note delivered to you concurrently herewith. The undersigned represents that there is currently no Default or Event of Default under the Agreement. The Authority acknowledges that the Term Loan Conversion shall be effective as set forth in the Agreement. Defined terms used herein have the meanings assigned to such terms in the Agreement.

MASSACHUSETTS WATER RESOURCES
AUTHORITY

By: _____
Authorized Officer

Agreed to and Accepted:
this ____ day of _____, 20__

TD BANK, N.A.

By: _____
Name:
Title:

EXHIBIT F

FORM OF TERM LOAN NOTE

\$ _____ [_____, 20_]

FOR VALUE RECEIVED, MASSACHUSETTS WATER RESOURCES AUTHORITY, a public instrumentality of the Commonwealth of Massachusetts (the "Borrower"), hereby promises to pay to the order of TD BANK, N.A. (the "Bank"), the principal sum of _____ Dollars (or such lesser amount as shall equal the aggregate unpaid principal amount of the Term Loans made by the Bank to the Borrower under the Agreement), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided for in the Letter of Credit and Reimbursement Agreement, dated as of _____, 2016 (the "Agreement"), and to pay interest on the unpaid principal amount of each such Term Loan on the dates so provided, at such office, in like money and funds, for the period commencing on the date of such Term Loan until such Term Loan shall be paid in full, at the rates per annum and on the dates provided in the Agreement.

The date, amount, type and principal payment dates of each Term Loan made by the Bank to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Bank on its books and, prior to any transfer of this Note, endorsed by the Bank on the schedule attached hereto or any continuation thereof, provided that the failure of the Bank to make any such recordation or endorsement shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Agreement or hereunder in respect of the Term Loans made by the Bank.

The Note is one of the Term Notes referred to in the Agreement. Terms used but not defined in this Note have the respective meanings assigned to them in the Agreement.

This Note is issued pursuant to, is entitled to the benefits of, and is subject to, the provisions of the Agreement and the Commercial Paper Resolution. The principal of this Term Note is subject to prepayment in whole or in part at any time, without penalty (provided any prepayment may only be made on the last day of the related Interest Period thereof).

This Note is given for money borrowed for the use of the Authority under authority of applicable law. This Term Note constitutes a valid and binding obligation of the Authority issued under the Sixty-Ninth Supplemental Resolution, and is payable solely from the proceeds of bonds subsequently issued by the Authority, from the proceeds of subsequent borrowings by the Authority under said Sixty-Ninth Supplemental Resolution and, as provided in the General Resolution, from certain moneys held for the credit of the _____.

The parties hereto, including the undersigned maker and all guarantors, endorsers and pledgors that may exist at any time with respect hereto, hereby waive presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Term Note and assent to the extensions of the time of payment or forbearance or other indulgence without notice.

This Term Note shall not be deemed to constitute a debt of The Commonwealth of Massachusetts (the "Commonwealth") or of any political subdivision thereof or a pledge of the faith and credit of the Commonwealth or of any such political subdivision. Neither the faith and credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest of this Term Note.

THIS TERM NOTE AND THE OBLIGATIONS OF THE BORROWER HEREUNDER SHALL FOR ALL PURPOSES BE GOVERNED BY AND INTERPRETED AND DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW).

IN WITNESS WHEREOF, the MASSACHUSETTS WATER RESOURCES AUTHORITY has caused this Term Note to be signed in its corporate name as an instrument under seal by its duly authorized officer on the date and in the year first above written.

MASSACHUSETTS WATER RESOURCES
AUTHORITY

By: _____
Name:
Title: