
STATE OF MARYLAND
For the Use of
MARYLAND DEPARTMENT OF TRANSPORTATION,
MARYLAND AVIATION ADMINISTRATION

Collectively acting as Purchaser
and

acting as Seller and Trustee

CONDITIONAL PURCHASE AGREEMENT

Dated as of _____, 2019

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MARYLAND DEPARTMENT OF TRANSPORTATION
Certificates of Participation
(Baltimore/Washington International Thurgood Marshall Airport
Shuttle Bus Fleet Acquisition), Series 2019

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CONDITIONAL PURCHASE AGREEMENT

THIS CONDITIONAL PURCHASE AGREEMENT dated as of _____, 2019 (this “Purchase Agreement” or “Agreement”), is by and between _____, acting as seller hereunder (“Seller”), in its capacity as trustee under the Trust Agreement (defined herein) and not in its individual capacity, and the State of Maryland (the “State”) for the use of the Maryland Department of Transportation (the “Department”), acting as purchaser hereunder (referred to herein as the “Purchaser”).

RECITALS

Purchaser desires to acquire the beneficial interests of Seller in and to certain buses to be used for shuttle services between the main terminal and various parking sites of the Baltimore/Washington International Thurgood Marshall Airport (“BWI Marshall Airport”) (the “Buses”), subject to the terms and conditions of and for the purposes set forth in this Agreement.

The Seller and the Purchaser, intending to be legally bound hereby and in consideration of the mutual covenants contained in this Agreement, agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01 Definitions.

Terms used in this Agreement shall have the meanings set forth in Appendix A, unless a different meaning clearly appears from the context.

Section 1.02 Rules of Construction.

Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) The headings and the table of contents set forth in this Agreement are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

(c) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(d) Any reference to the Project Fund, Certificate Fund, Insurance Fund, Rebate Fund, Interest Account, Principal Account or Redemption Account shall be to the fund or account so designated which is created under the Trust Agreement.

(e) The terms “agree” and “agreement” shall include and mean “covenant,” and all agreements contained in this Agreement are intended to constitute covenants and shall be enforceable as such.

ARTICLE II REPRESENTATIONS

Section 2.01 Representations by Purchaser.

Purchaser makes the following representations as the basis for the undertakings of the Seller contained in this Agreement:

(a) Purchaser is authorized under the provisions of the Constitution and laws of the State of Maryland and has all necessary power, right and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(b) This Agreement and the Trust Agreement constitute legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their respective terms, except as same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights, by applicable laws which may limit the availability of remedies hereunder or thereunder, or by equitable principles.

(c) Purchaser shall cause to be executed and delivered to Seller, an opinion of its counsel in substantially the form attached hereto as Exhibit B-1 concurrently with the execution and delivery of the Certificates under the Trust Agreement.

(d) During the Term of this Agreement, the Buses will be used by Purchaser only for the purpose of performing one or more essential governmental functions of Purchaser consistent with the permissible scope of Purchaser’s authority and within the scope of authorized public purposes.

(e) The execution, delivery and performance by the Purchaser of this Agreement will not violate any provision of Applicable Law or any judgment, order, decree, rule or regulation binding upon it the violation of which would have a materially adverse effect upon the Purchaser, the Buses or the operation thereof.

(f) There are no actions, suits or proceedings pending against the Purchaser or, to the knowledge of the Purchaser, threatened against the Purchaser before or by any court, governmental body or agency or other tribunal or authority which would, if adversely determined, have a materially adverse effect on the authority or ability of the Purchaser to perform its obligations under this Agreement, or which question the legality, validity or enforceability hereof.

(g) There is no Event of Default or, to the knowledge of the Purchaser, no event which, with the giving of notice or passage of time, would constitute an Event of Default under the Trust Agreement.

(h) The Purchaser will apply the proceeds of the Series 2019 Certificates as provided in the Trust Agreement.

(i) Purchaser has not failed to obtain approval, consent or withholding of objections as required from any governmental authority with respect to this Agreement, which failure would have a materially adverse effect upon the Purchaser, the Buses, or the operation thereof.

(j) Purchaser will comply with the information reporting requirements of Section 149(e) of the Internal Revenue Code, including but not limited to the execution of information statements requested by Seller.

(k) Purchaser shall pay to the Trustee, from time to time, compensation for services rendered by the Trustee under the Trust Agreement, such compensation to be paid in accordance with the terms of a separate agreement between the Trustee and Purchaser.

Section 2.02 Representations by Seller.

The Seller makes the following representations as the basis for the undertakings of the Purchaser contained in this Agreement.

(a) Seller is a _____ banking corporation, duly organized, validly existing and in good standing under the laws of the State of _____, and has all necessary right and lawful authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder, and is duly qualified to transact business and hold property in the State.

(b) During the term of this Agreement, Seller will preserve and keep in full force and effect its existence as a _____ banking corporation or shall do all things necessary to have all of its obligations hereunder assumed by its successors and permitted assigns, which shall preserve and keep in full force and effect their existence and their qualification to do business in the State to the extent such qualification is necessary for the performance of Seller's obligations hereunder.

(c) Seller is authorized under its charter and by-laws and appropriate corporate resolution to enter into this Agreement and the transactions contemplated hereby.

(d) This Agreement and the Trust Agreement constitute legal, valid and binding obligations of the Seller enforceable in accordance with their respective terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights, by applicable laws which may limit the availability of remedies hereunder or thereunder or by equitable principles.

(e) Seller shall cause to be executed and delivered to Purchaser an opinion of its counsel, in substantially the form attached hereto as Exhibit B-2, concurrently with the execution and delivery of the Certificates under the Trust Agreement.

(f) The execution, delivery and performance by the Seller of this Agreement and the transactions contemplated herein will not violate any provision of Applicable Law or any judgment, order, decree, rule or regulation binding upon it the violation of which would have a materially adverse effect upon the Seller, the Buses or the operation thereof.

(g) There are no actions, suits or proceedings pending against the Seller or, to the knowledge of the Seller, threatened against the Seller before or by any court, governmental body or agency or other tribunal or authority which would, if adversely determined, have a materially adverse effect on the authority or ability of the Seller to perform its obligations under this Agreement, or which question the legality, validity or enforceability hereof.

(h) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the terms and conditions of this Agreement conflicts in any material respect with or results in a material breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Seller is now a party or by which it is bound, or constitutes a default thereunder, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Seller, under the terms of any of the foregoing.

ARTICLE III PURCHASE OF THE BUSES

Section 3.01 Purchase.

Simultaneously with the conveyance of the Buses to Seller under Section 3.03, Seller hereby transfers, reconveys, quitclaims and reassigns to the Purchaser all right and interest of the Seller in and to the Buses.

Section 3.02 Title.

Purchaser shall be entitled to ownership, possession and use of and title to the Buses upon execution and delivery of this Agreement in accordance with the terms hereof.

Section 3.03 Transfer of Buses.

Purchaser hereby transfers, conveys and assigns to the Seller all right and interest of Purchaser in and to the Buses for the purpose of this financing subject to the provisions of this Agreement.

As security for the obligation of the Purchaser to make timely payment of all amounts due under this Agreement, the Purchaser hereby pledges, assigns, conveys and grants to the Seller a lien and claim on and a security interest in all of the Buses, subject to no liens or encumbrances. Purchaser will, upon request of the Seller, make appropriate endorsements on the certificates of title of the Buses reflecting the Trustee's interest therein. Without limiting the

generality of the foregoing, this pledge, assignment, lien, claim and security interest shall continuously apply for the entire Term of this Agreement.

In order further to secure the punctual payment of amounts due hereunder and the performance of the obligations of the Purchaser hereunder and without in any way limiting any other provision hereof, the Purchaser agrees that upon the request of the Trustee following the occurrence of any Event of Default or Failure to Appropriate hereunder, the Buses shall be surrendered to the Trustee for subsequent sale of the Department's interests in the Buses.

ARTICLE IV TERM

Section 4.01 Term of Agreement.

This Agreement shall be in effect beginning on the date of execution and delivery hereof and shall remain in effect until Purchaser has paid the Purchase Price to Seller. This Agreement is subject to earlier termination as set forth in Section 4.02 below, and, if such termination occurs prior to the full payment of the Purchase Price of the Buses, Purchaser shall have no right to receive any refund of any Purchase Installments made by Purchaser.

Section 4.02 Termination of Term.

The Term will terminate upon the earliest of any of the following events:

- (a) the nonappropriation of funds pursuant to Section 6.06;
- (b) the prepayment by Purchaser of the Purchase Price under the provisions of Article IX or Article XI;
- (c) the payment by Purchaser of all Purchase Installments required to be paid by Purchaser hereunder and any other sums required to be paid hereunder; or
- (d) an Event of Default by the Purchaser and the Seller's election to terminate this Agreement under Article XIII.

ARTICLE V ENJOYMENT OF BUSES

Section 5.01 Quiet Enjoyment.

Seller hereby covenants to provide Purchaser throughout the Term with quiet use and enjoyment of the Buses, without suit, trouble or hindrance from Seller, except as expressly set forth in this Agreement and so long as Purchaser is not in default hereunder. During the Term, all costs associated with the Buses shall be borne by the Purchaser.

ARTICLE VI PURCHASE INSTALLMENTS

Section 6.01 Payment of Purchase Installments.

(a) Purchaser shall pay Purchase Installments in accordance with this Agreement.

(b) Purchaser shall pay all Purchase Installments from appropriated funds. All Purchase Installments shall be payable in lawful money of the United States of America to the Trustee, in accordance with its written instructions, in the amounts and at the times as set forth on Exhibit C hereto.

(c) Any amounts paid to the Holders of the Certificates from amounts held in the funds or accounts held by the Trustee under the Trust Agreement (including amounts paid from investment earnings thereon), unless previously so credited, shall be credited against the amounts due from the Purchaser under this Purchase Agreement in respect of the Purchase Installments and the Purchase Price.

Section 6.02 Interest Component.

A portion of each Purchase Installment is paid as, and represents payment of, interest and Exhibit C hereto sets forth the interest component of each Purchase Installment during the Term.

Section 6.03 Purchase Installments to Be Unconditional.

The obligation of Purchaser to make payment of the Purchase Installments required under this Agreement and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as expressly provided in this Agreement. Notwithstanding any dispute between Purchaser and Seller or any other person, or any defects, breakdowns or malfunctions in any of the Buses, Purchaser shall make all payments of Purchase Installments when due and shall not withhold any part of any Purchase Installments pending final resolution of such dispute or repair of the Buses or any portion thereof nor shall Purchaser assert any right of set-off, cross-claim, recoupment or counterclaim against its obligation to make such payments required under this Agreement. Purchaser's obligation to pay Purchase Installments during the Term shall not be abated through accident or unforeseen circumstances.

Section 6.04 Continuation of Term by Purchaser.

Purchaser agrees, subject to the provisions of Section 6.06, to pay the Purchase Installments due hereunder. Purchaser reasonably believes that funds in an amount sufficient to pay all Purchase Installments during the Term will be available. Purchaser agrees to use its best efforts and to do all things lawfully within its power annually to request the inclusion of such funds in the budget of the Governor to be submitted to the Maryland General Assembly for inclusion in its next fiscal year budget. Nothing in this Section 6.04 shall obligate the Maryland General Assembly to make any appropriation.

Section 6.05 Nonsubstitution.

Purchaser agrees to apply funds that are appropriated for the Buses to the payment of its obligations hereunder. To the extent permitted by law and subject to public policy, Purchaser shall not fail to seek or obtain an appropriation for the Buses in order to acquire (through purchase, lease, or otherwise) other equipment in substitution for the Buses. It is the intention of the parties hereto, that to the extent permitted by law and subject to public policy, that any official or agency of the State, for the use of the Department, that may be required to take any action in order to carry out the provisions of this Agreement (including without limitation, the Department and its officials) will use its best efforts to take such action.

Section 6.06 Failure to Appropriate.

(a) The obligation of Purchaser to pay the Purchase Installments and all other amounts payable by the Purchaser hereunder is subject to appropriation by the Maryland General Assembly. In the event sufficient funds shall not be appropriated for the payment of the Purchase Installments required to be paid under Exhibit C to continue the acquisition of the Seller's interest in the Buses or to pay other amounts payable by the Purchaser under this Agreement, Purchaser shall not be obligated to make payment of the Purchase Installments provided for in this Agreement beyond the last date for which an appropriation is available. Purchaser shall deliver written notice to Seller of a Failure to Appropriate no later than ten days after Purchaser has knowledge that an appropriation will not be available. In the event of a Failure to Appropriate, the obligations of Purchaser requiring the expenditure of appropriated funds will cease so long as all payments previously appropriated have been made. The Certificates shall be subject to mandatory redemption upon the occurrence of a Failure to Appropriate and subsequent sale of the Department's interest in the Buses, as provided in Section 5.02 of the Trust Agreement.

(b) Promptly upon approval by the Maryland General Assembly in subsequent years of such appropriations pertaining to the Buses, but in any event not later than 60 days prior to the final day of the Fiscal Year, the Purchaser shall furnish a fully-executed certificate to the Trustee (with a copy to the Seller) in the form of Appendix B attached hereto which shall certify that the Maryland General Assembly has authorized appropriations sufficient to enable the Purchaser to make the payments required under this Agreement for the immediately succeeding Fiscal Year.

Section 6.07 Essential Use.

Purchaser represents that the Buses will be essential for the operations of the Purchaser.

Section 6.08 Purchase Installments to Constitute a Current Expense of Purchaser.

Seller and Purchaser understand and intend that the obligation of Purchaser to pay Purchase Installments hereunder shall constitute a current expense of Purchaser and shall not in any way be construed to be a debt of Purchaser in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by Purchaser, nor

shall anything contained herein constitute a pledge of the full faith and credit or of the general tax revenues, funds or moneys of Purchaser. Seller further acknowledges that all monetary obligations of Purchaser contained herein are subject to duly authorized appropriation by the Maryland General Assembly.

ARTICLE VII OWNERSHIP OF BUSES; SECURITY INTERESTS

Section 7.01 Ownership of the Buses.

Title and ownership of the Buses and any and all additions, accretions, repairs, replacements or modifications has vested in the Purchaser, subject to the terms of this Agreement. If there is an Event of Default as set forth in Section 13.01 or a Failure to Appropriate as set forth in Section 6.06, Purchaser shall cause all of the Buses to be surrendered to the Seller or its assignee in the manner set forth in Section 6.06.

The Purchaser's rights of possession in the Buses shall not limit, waive or prejudice any right of Seller to require the Purchaser to surrender the Buses if an Event of Default shall have occurred and be continuing or if a Failure to Appropriate shall have occurred pursuant to this Agreement.

Section 7.02 Financing Statements.

Purchaser agrees to execute any documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Seller, which Seller deems necessary or appropriate to give notice of or to perfect Seller's and Trustee's interest in the Buses and to permit Seller to exercise its rights and obligations under this Agreement.

Section 7.03 Liens.

Purchaser shall not directly or indirectly create, incur, assume or suffer to exist any pledge, lien, charge, security interest, encumbrance or claim on or with respect to the Buses or any interest therein, except the lien created pursuant to this Agreement in favor of Seller. Purchaser shall promptly, at its own expense, take such action as may be necessary to duly discharge any such pledge, lien, security interest, charge, encumbrance or claim if the same shall arise at any time and shall notify Seller and the Trustee in writing of such pledge, lien, charge, security interest, encumbrance or claim and the discharge thereof, except any lien created pursuant to this Agreement in favor of Seller.

ARTICLE VIII IMPROVEMENT AND MAINTENANCE; TAXES; INSURANCE; MODIFICATION

Section 8.01 Improvement and Maintenance of Buses by Purchaser.

Purchaser shall cause proceeds of the Certificates, to the extent available, to be applied pursuant to the provisions of the Trust Agreement, to the acquisition and equipping of the Buses. Purchaser agrees that during the Term, Purchaser, at Purchaser's own cost and expense, will maintain, preserve and keep, or cause to be maintained, preserved or kept, the Buses in good

repair, working order and condition and that Purchaser, from time to time, will make or cause to be made all necessary and proper repairs, replacements and renewals necessary for the same. Seller shall have no responsibility under this Agreement in any of these matters or for the making of improvements or repairs to the Buses.

Section 8.02 Condition of the Buses Upon Early Termination or Failure to Appropriate.

If, in the event of a Failure to Appropriate as provided in Section 6.06 or Event of Default as provided in Section 13.01, this Agreement is terminated prior to the termination date, Purchaser shall make the Buses available to Seller in good and serviceable condition together with all alterations, additions, or modifications thereto. If, and at the time of such termination, Purchaser has begun to undertake any alterations, additions or modifications which will not be then completed (an "Unfinished Project"), Purchaser, at Purchaser's option and at Purchaser's sole cost, will either (a) cause the Buses to be restored as promptly as reasonably possible to their condition prior to the commencement of such Unfinished Project, (b) complete, or cause to be completed, as promptly as reasonably possible, the work on the Unfinished Project to a point where the Buses will be usable in an unrestricted fashion, or (c) forthwith deposit funds with Seller sufficient to complete the Unfinished Project as provided in clause (b) above to the extent such funds have been appropriated.

Section 8.03 Taxes, Other Governmental Charges and Utility Charges.

The parties to this Agreement contemplate that the Buses will be used for a governmental or proprietary purpose of Purchaser and, therefore, that the Buses will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Buses is found to be subject to taxation in any form, Purchaser will pay during the Term, as the same respectively become due, subject to reasonable rights to defer and contest the applicability of any such tax or charge, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Buses or with respect to Purchaser's possession or use of the Buses, together with any interest or penalty thereon, as well as all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Buses; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Purchaser shall be obligated to pay such installments as are accrued during such time as this Agreement is in effect. In any contest of the applicability of any such tax or charge Seller agrees, upon reasonable notice from Purchaser and a determination by a court or administrative body that Seller is a necessary party to such an action by Purchaser, to join and assist, at no expense or liability to Seller.

Section 8.04 Insurance.

Purchaser shall, during the Term, cause property insurance or self-insurance (by means of a self-insurance fund set aside and maintained for that purpose) to be carried and maintained with respect to the Buses in the amounts customarily maintained by the Purchaser for motor vehicles of the nature of those comprising the Buses. All insurance proceeds from property losses shall be payable and applied as hereinafter provided in this Agreement. Purchaser, at

Seller's or Trustee's request and on or before the expiration date of any coverage, shall furnish to Seller and the Trustee a duly executed certificate evidencing that such coverage is continuing throughout the Term, at Seller's or Trustee's request. Purchaser may insure the Buses under a blanket insurance policy or policies of self-insurance which covers not only the Buses but other properties.

During the Term, with respect to insurance coverage for public liability regarding the Buses, Purchaser shall maintain or cause to be maintained in effect such insurance or self-insurance as the State of Maryland generally maintains or causes to be maintained for similar liabilities and occurrences. Any insurance coverage issued pursuant to this Section 8.04 shall be so written or endorsed as to make losses, if any, payable to Purchaser, Seller and the Trustee as their respective interests may appear under this Agreement. The Net Proceeds of the insurance required in this Section 8.04 shall be paid to the Trustee and applied as provided in Section 9.01. The insurance coverage provided for in this Section 8.04 shall contain a provision to the effect that the insurer shall not cancel the policy or modify it materially or adversely to the interest of Seller and the Trustee without first giving written notice thereof to Seller and the Trustee at least 20 days in advance of such cancellation or modification.

If Purchaser provides the insurance described herein through self-insurance, Purchaser shall deliver to Seller and the Trustee a certificate of insurance which sets forth the coverage provided by such self-insurance, and such other information as Seller may reasonably require.

Section 8.05 Modifications.

Purchaser may make any alterations, modifications or additions to the Buses or any portion thereof as Purchaser deems appropriate.

ARTICLE IX DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

Section 9.01 Damage and Destruction.

If prior to the termination of the Term (a) the Buses or any portion thereof are destroyed (in whole or in part) or are damaged by fire or other casualty or (b) title to, or the temporary use of, the Buses or any part thereof or the estate of Purchaser or Seller in the Buses or any part thereof shall be taken by any governmental body or by any person, firm or corporation acting under governmental authority, Purchaser shall give notice of its intention to file an insurance claim in the case of any damage or other casualty and Seller will cause the Net Proceeds of any insurance claim to be deposited in the Insurance Fund under the Trust Agreement. The Net Proceeds of any insurance, including the proceeds of any self-insurance fund but not including the proceeds of any public liability insurance award received on account of any damage or destruction shall be made available to Purchaser upon its request to replace, repair, rebuild, restore or modify the Buses pursuant to the requisition procedures set forth in Section 4.05 of the Trust Agreement. Pending such application, such proceeds may be invested by the Trustee in Qualified Investments that mature or are redeemable at the option of the holder not later than such times as shall be necessary to provide moneys when needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, Purchaser shall notify the Trustee, within 60 days of the receipt by Purchaser of written notice from the Trustee that the Trustee has received insurance proceeds, whether Purchaser intends to replace or repair the property in respect of which such proceeds were received. The Net Proceeds of any insurance, including the proceeds of any self-insurance fund but not including the proceeds of any public liability insurance, not applied to repairing or replacing damaged, destroyed or taken property, or in respect of which notice in writing by Purchaser of its intention to apply the same to the work of repairing or replacing the property damaged, destroyed or taken shall not have been given to the Trustee within six months of receipt of such proceeds by the Trustee, or which Purchaser shall at any time during such period have notified the Trustee are not to be so applied, shall forthwith be applied to the redemption of Certificates in the manner specified in the Trust Agreement.

Upon or after the occurrence of an Event of Default under this Agreement or the Trust Agreement, the Trustee shall apply amounts in the various funds and accounts therein as provided in the Trust Agreement. Except as provided above, Purchaser shall not, however, be entitled to any diminution of the amounts payable under Article VI hereof.

Section 9.02 Insufficiency of Net Proceeds.

If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, rebuilding, restoration or modification referred to in Section 9.01, Purchaser shall either (a) complete the work and pay any cost in excess of the amount of the Net Proceeds, or (b) pay to Seller the amount of the then applicable Purchase Price as set forth on Exhibit C, plus a pro rata allocation of interest, at the rate or rates utilized to establish the then-unpaid Purchase Installments, from the prior due date of a Purchase Installment until the date of the payment, and, upon such payment, the Term shall terminate. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Purchaser.

Section 9.03 Participation.

Purchaser shall have the right to appear in any proceedings and to participate in any and all hearings, trials and appeals therein. Seller agrees, upon reasonable notice from Purchaser and a determination by a court or administrative body that Seller is a necessary party to such an action by Purchaser, to join and assist, at no expense or liability to Seller.

Section 9.04 Notice of Proceedings.

If Seller or Purchaser shall receive notice of any proposed or pending proceeding affecting the Buses, the party receiving such notice shall promptly notify the other party.

ARTICLE X DISCLAIMER OF WARRANTIES; NO CLAIMS AGAINST ASSIGNEE; USE OF BUSES

Section 10.01 Disclaimer of Warranties.

SELLER MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR

FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE BUSES OR ANY PORTION THEREOF, OR ANY OTHER WARRANTY WITH RESPECT THERETO AND, AS TO SELLER, PURCHASER PURCHASES THE BUSES AS IS. In no event shall Seller be liable for any loss or damage, including incidental, indirect, special or consequential damage, in connection with or arising out of this Agreement or the existence, furnishing, functioning or Purchaser's use of the Buses. This disclaimer shall not limit any warranties, express or implied, otherwise provided with respect to the Buses by any manufacturers and vendors thereof or other entities.

Section 10.02 Acceptance of Trust.

The parties hereto contemplate that Seller as Trustee under the Trust Agreement will hold all of the assets and property received by it hereunder and under the Trust Agreement upon the terms of the Trust Estate under and as defined in the Trust Agreement as Trustee and fiduciary for and on behalf of the Certificate Holders.

Section 10.03 Use of the Buses.

Purchaser will not use, operate or maintain (or permit the use, operation or maintenance of) the Buses improperly in violation of any applicable law the failure to comply with which would have a material adverse effect on the Purchaser, the Buses or the operation thereof or in a manner contrary to that contemplated by this Agreement or contrary to any applicable insurance policy. Purchaser shall provide and obtain (or cause to be provided and obtained) all permits and licenses, if any, necessary in the operation of the Buses to the extent required by law to enable the Purchaser to comply with its obligations hereunder. In addition, Purchaser agrees to comply, or cause the compliance, in all material respects (including, without limitation, with respect to the use, maintenance and operation of each item of equipment) with all applicable laws and all orders, ordinances or regulations of any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Buses; provided, however, that Purchaser may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not in the opinion of Bond Counsel, materially adversely affect the interest or rights of Seller under this Agreement.

ARTICLE XI CONSUMMATION OF PURCHASE

Section 11.01 Consummation of Purchase.

This Agreement and Seller's interest in the Buses shall terminate:

- (a) at the end of the Term, upon payment in full of all Purchase Installments due hereunder and all other sums required to be paid hereunder; or
- (b) prior to the end of the Term, on any prepayment by Purchaser of the Purchase Price as provided in Section 11.02; or
- (c) upon payment of the applicable Purchase Price and interest to Seller pursuant to Section 9.02.

Upon the occurrence of any of the above, Seller shall deliver to Purchaser releases of its rights in the Buses and other documents and instruments as Purchaser shall reasonably require to evidence the transfer of all right and interest of Seller in the Buses free and clear of all liens created by or arising, directly or indirectly, through Seller, together with such terms, stipulations and further assurances as the Purchaser may reasonably request.

Section 11.02 Prepayment.

(a) On or after March 28, 2027 Purchaser, at its option, may prepay all of the remaining balance of the Purchase Price at any time or may prepay a portion of the remaining balance of the Purchase Price on any date on which a Purchase Installment becomes due with respect to the Certificates maturing on or after March 1, 2028, at 100 percent of the Purchase Price then due plus accrued interest.

(b) Upon any partial prepayment of the Purchase Price, Exhibit C hereto shall be amended to credit the amount of such prepayment to the Purchase Installments in such order of maturity as directed by Purchaser and to reflect the recalculation of the amount of the interest component of each remaining Purchase Installment.

**ARTICLE XII
ASSIGNMENT, SUBLEASING AND INDEMNIFICATION**

Section 12.01 Acknowledgment of Trust.

(a) Seller acknowledges that its interest in the Buses and its rights hereunder, including but not limited to the right of Seller to receive payments hereunder, are held in trust for and on behalf of the Certificate Holders pursuant to the Trust Agreement.

(b) Purchaser agrees to execute all documents, including, but not limited to, security agreements, and financing statements which may be reasonably requested by Seller to protect its interests in the Buses and under this Agreement.

Section 12.02 Assignment and Subleasing by Purchaser.

The Purchaser's interest in this Agreement may not be sold, pledged, assigned or otherwise encumbered by Purchaser for any reason without the prior written approval of Seller, which approval shall be granted if Seller reasonably determines that Seller's security in the Revenues will not be adversely affected and Purchaser has obtained an opinion of Bond Counsel that there will not be an adverse affect on the tax-exempt status of the Certificates. Purchaser shall use the Buses for public purposes and in furtherance of its essential governmental functions. Nothing contained in this Section shall preclude Purchaser from leasing or permitting the use of the Buses by others for public purposes or in furtherance of any essential governmental functions of Purchaser.

Section 12.03 Release and Indemnification.

Except to the extent caused by the negligence or willful misconduct of Seller, Purchaser shall, to the extent permitted by applicable law and subject to budgetary appropriation,

indemnify, protect, save and hold harmless Seller from and against any and all liability, obligations, losses, claims and damages whatsoever resulting or allegedly resulting in damage to property or injury or death to any person regardless of the cause thereof, and expenses in connection therewith, including, without limitation, expenses, penalties and interest, arising out of or as the result of Purchaser's use and possession of the Buses, the acquisition of the Buses, or any accident in connection with the operation, use, condition or possession of the Buses, and any costs incurred in connection with the exercise of remedies hereunder. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Term for any reason, but only as to matters arising prior to the date of such termination.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES

Section 13.01 Events of Default Defined.

The following shall be "Events of Default" under this Agreement and the terms "Event of Default" and "Default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Purchaser (i) to pay any Purchase Installment at the time specified herein; or (ii) to pay any other payment required to be paid hereunder (other than any Purchase Installments and those payments to the Trustee provided for in Section 2.01(1) hereof), within 15 days after the due date for such payments; or

(b) Failure by Purchaser to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01(a), for a period of 30 days after written notice is given to Purchaser by Seller, specifying such failure and requesting that it be remedied, unless Seller shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, Seller will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Purchaser within the applicable period and diligently pursued until the default is corrected.

The foregoing provisions of this Section 13.01 are subject to the provisions of Section 6.06 of this Agreement. The provisions of paragraph (b) above are further subject to the limitation that, if by reason of acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, orders, restraints or shut downs of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority, insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals, or any other cause or event not reasonably within the control of the Purchaser and arising without its fault or negligence, the Purchaser is unable in whole or in part to carry out its agreements referred to in paragraph (b) above, the Purchaser shall not be deemed to be in default hereunder during the continuance of such inability.

Section 13.02 Remedies on Default.

Whenever any Event of Default referred to in Section 13.01 shall have happened and be continuing, Seller shall have the right, at its sole option, without any further demand or notice, to take any one or any combination of the following remedial steps:

(a) terminate this Agreement and direct Purchaser to cause the transfer of the Buses to the Trustee, without any court order or other process of law until the date of payment of the Purchase Price.

(b) institute appropriate legal proceedings to require Purchaser to cure any such Event of Default by observing, complying with or performing its obligations hereunder.

(c) cause a mandatory redemption of the Certificates.

Section 13.03 No Remedy Waived.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Seller to exercise any remedy reserved to it in this Article XIII, it shall not be required to give any notice other than such notice as may be required in this Agreement.

Section 13.04 No Remedy Exclusive.

The remedies provided herein are not intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

**ARTICLE XIV
MISCELLANEOUS**

Section 14.01 Notices.

All notices, certificates or other communications hereunder shall be sufficiently given when sent by any telecommunication device capable of creating a written record and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties at the following addresses (or to such other address as may be designated by any party by written notice given to the other parties):

if to Purchaser: Director, Office of Finance
Maryland Department of Transportation
7201 Corporate Center Drive
Hanover, Maryland 21076
Fax: (410) 865-1032

with copies to: McKennon Shelton & Henn LLP
401 East Pratt Street, Suite 2600
Baltimore, Maryland 21202
Fax: (410) 843-3501

if to Trustee: _____

Section 14.02 Binding Effect.

This Agreement shall inure to the benefit of and shall be binding upon Seller and Purchaser and their respective successors and assigns.

Section 14.03 Severability.

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holdings shall not invalidate or render unenforceable any other provision hereof.

Section 14.04 Amendments, Changes and Modifications.

This Agreement may be amended only by written agreement of Seller and Purchaser.

Section 14.05 Execution in Counterparts.

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06 Applicable Law and Forum.

This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, excluding the conflict-of-law rules of the State of Maryland. All judicial actions, claims, suits or proceedings brought by any party to enforce any rights hereunder shall be initiated and maintained only in the courts of the State of Maryland and not in the courts of any other jurisdiction.

Section 14.07 Waiver.

No covenant or condition of this Agreement can be waived except by the written consent of the party in whose favor such covenant or condition runs. Any failure of such party to require strict performance by the other or any waiver by the party benefited of any terms, covenants or agreements herein shall not be construed as a waiver of any other breach of the same or any other term, covenant or agreement herein.

Section 14.08 Entire Agreement.

This Agreement, together with the exhibits and schedules attached hereto and other agreements referred to herein, constitutes the entire agreement between the parties.

Section 14.09 Time.

Time is of the essence of this Agreement and each and all of its exhibits, schedules and provisions.

Section 14.10 Interest on Certificates to Be Tax Exempt.

Purchaser hereby covenants that, unless and until Purchaser has been advised by nationally recognized bond counsel that failure to comply will not cause interest on the Certificates to become subject to federal income taxation, Purchaser shall comply with the provisions of the Internal Revenue Code, applicable to the Certificates, including, without limitation, any provisions regulating or restricting the times within which, or the purposes for which, proceeds of the Certificates may be expended, any provisions restricting the yields that may be earned on the investment of proceeds of the Certificates or other funds relating to the Certificates, any provisions requiring the rebate to the United States of America of earnings received from the investment of proceeds of the Certificates or other funds relating to the Certificates (or payments in lieu thereof), and any provisions requiring the filing of information or reports regarding the Certificates with the Internal Revenue Service.

Purchaser hereby further covenants that it shall make such use of the Buses and of the proceeds of the Certificates, regulate the investment of the proceeds thereof, and take such other and further actions as may be required under the Internal Revenue Code to maintain the exclusion from gross income for federal income tax purposes of interest on the Certificates (unless and until Purchaser has been advised by Bond Counsel that failure to comply will not cause the interest on the Certificates to become subject to federal income taxation).

All officers, employees and agents of Purchaser shall take such actions, provide such certifications of facts and estimates and enter into such further covenants and agreements regarding the application and investment of the proceeds of the Certificates as may be necessary or appropriate from time to time, in the opinion of Bond Counsel, to comply with, or to evidence Purchaser's compliance with, the covenants set forth above. Purchaser shall be permitted to enter into an agreement with the Trustee or other persons under which such persons assume responsibility for such actions as are necessary to comply with such covenants.

The Tax and Section 148 Certificate, concerning use of the proceeds of the Certificates and the Buses, to be executed by the Department and dated the date of issuance and delivery of the Certificates shall constitute a certificate of the Purchaser. Purchaser hereby agrees to be bound by the covenants and representations set forth therein.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, Seller and Purchaser, by their duly authorized officials, have executed and delivered this Agreement under seal as of the date and year first above written.

[SEAL]

_____,
acting as Seller in its capacity as Trustee
under the Trust Agreement

By: _____
Name: _____
Title: _____

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[Signature page to Conditional Purchase Agreement]

**STATE OF MARYLAND, for the use of the
MARYLAND DEPARTMENT OF
TRANSPORTATION, MARYLAND
AVIATION ADMINISTRATION**

By: _____
Lawrence J. Hogan, Jr.
Governor

By: _____
Peter Franchot
Comptroller

By: _____
Nancy K. Kopp
Treasurer

Constituting the Board of Public Works of the State of Maryland

[Signature page to Conditional Purchase Agreement]

Execution of the above Agreement is hereby authorized and approved by the Maryland Department of Transportation, Maryland Aviation Administration as of the ____ day of _____, 2019.

**MARYLAND DEPARTMENT OF
TRANSPORTATION**

By: _____
Pete K. Rahn
Secretary

**MARYLAND AVIATION
ADMINISTRATION**

By: _____
Name: Ricky D. Smith, Sr.
Title: Executive Director

Execution of the above Agreement has been authorized and approved by the Board of Public Works at a meeting held _____, 2019 as Item _____.

This Agreement is hereby approved for Form and Legal Sufficiency by Kenneth B. Hulse, Assistant Attorney General, as of the ____ day of _____, 2019.

Assistant Attorney General

[Signature page to Conditional Purchase Agreement]

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SCHEDULE OF EXHIBITS

1. Appendix A – Definitions
2. Appendix B – Annual Certificate Regarding Appropriation
3. Exhibit A – Description of Project
4. Exhibit B-1 – Form of Purchaser’s Counsel Opinion
5. Exhibit B-2 – Form of Seller’s and Trustee’s Counsel Opinion
6. Exhibit C – Schedule of Payments

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APPENDIX A

DEFINITIONS

“**Additional Certificates**” means certificates of participation that may be issued pursuant to Section 7.10 of the Trust Agreement.

“**Agency Obligations**” means direct obligations (including bonds, notes or participation certificates) of, or obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by, any of the following agencies or instrumentalities of the United States of America, including but not limited to: the Government National Mortgage Association, the Export-Import Bank of the United States, the Farmers Home Administration, the Small Business Administration, the General Services Administration, United States Maritime Administration, U.S. Department of Housing & Urban Development and Federal Housing Administration.

“**Applicable Law**” means any law, regulation, requirement or order of any federal, state or local agency, court or other governmental body, applicable from time to time to the acquisition, financing, ownership, possession or operation of the Buses or the performance of any obligations of the State under the Purchase Agreement or the Trust Agreement.

“**Bond Counsel**” means a law firm or firms, appointed by the Department having a national reputation in the field of municipal law, whose legal opinions are generally accepted by purchasers of municipal bonds. The firm of McKennon Shelton & Henn LLP is hereby recognized as constituting Bond Counsel.

“**Bus or Buses**” means the buses financed with the proceeds from the sale of the Certificates and acquired by Purchaser to be used for shuttle services between the main terminal and various parking sites of the BWI Marshall Airport.

“**Business Day**” means a day other than a Saturday, Sunday, legal holiday or day on which banking institutions in the State of Maryland or in the City of New York, New York are authorized by law to remain closed and any day on which the New York Stock Exchange is closed.

“**Certificate**” or “**Certificates**” means the Series 2019 Certificates and any Additional Certificates, collectively.

“**Certificate Fund**” means the fund so designated that is established under the provisions of the Trust Agreement for the purpose of accepting and disbursing to the Certificate Holders moneys received by the Trustee for the payment of principal, premium, if any, and interest on the Certificates.

“**Certificate Holder**” or “**Holder**” means the person or entity in whose name a Certificate is registered on the Certificate register maintained by the Trustee pursuant to Section 7.04 of the Trust Agreement.

“**Cost**” or “**cost**” means, with regard to the Buses, any costs of the acquisition, renovation, furnishing, equipping, installation, inspection and testing of the Buses, whether incurred prior to or after the date of initial execution and delivery of the Purchase Agreement or the Certificates, including, without limitation:

- (a) premiums attributable to all insurance maintained during the period of acquisition, renovation, furnishing, equipping, installation and testing of such Buses and the premium on each surety bond, if any, required with respect to work on such Buses;
- (b) costs incurred in connection with site improvement, the construction of structures, the acquisition and installation of furniture, fixtures, machinery and equipment and the acquisition, improvement and installation of utility services or other facilities and roads and other rights of access, including, without limitation, equipment orders, procurement expenses, transportation, shipping and trackage to connect such Buses with public transportation facilities;
- (c) financial advisory, legal, accounting, and printing and engraving fees, charges and expenses and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Certificates and the preparation and delivery of the Trust Agreement, the Purchase Agreement and other related documents and any costs of refinancing of the costs of the Buses, including, without limitation, interest and premiums;
- (d) interest that may become due and payable on the Certificates prior to the completion of the acquisition of the Buses; and
- (e) any other costs determined by the State to be properly chargeable by the State as a cost of the purchase, renovation, installation, transportation, acquisition and financing of the Buses;

provided, however, that the itemization of cost classifications in this definition shall not be deemed to authorize any use of the proceeds of the sale of the Certificates that is not permitted by law or the Trust Agreement or that would adversely affect the excludability from gross income, for federal or state income tax purposes, of the interest portion of the Purchase Installments received by the Holders.

“**Credit Facility**” means any liquidity facility, letter of credit, bond insurance policy, certificate purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Certificate.

“**Department**” means the Maryland Department of Transportation.

“**Failure to Appropriate**” means that sufficient funds for the payment of the Purchase Installments due under the Purchase Agreement in the next succeeding Fiscal Year have not been appropriated by the Maryland General Assembly in its annual appropriations.

“**Fiscal Year**” means the 12-month period commencing on July 1 of any year and ending on June 30 of the succeeding year, unless the State shall notify the Trustee of a change in its

fiscal year for accounting purposes, in which case the Fiscal Year shall be the 12-month period set forth in such notice.

“**Government Obligations**” means direct obligations of, or obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by, the United States of America.

“**Insurance Fund**” means the fund so designated that is established under the provisions of the Trust Agreement.

“**Interest Account**” means an account in the Certificate Fund into which and from which moneys shall be deposited and withdrawn and interest on the Certificates shall be paid in accordance with Article IV of the Trust Agreement.

“**Interest Payment Date**” means _____ and _____ of each year, commencing _____, 2019.

“**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended from time to time, and any subsequent Federal tax law.

“**Net Proceeds**” when used with respect to any insurance proceeds shall mean the gross proceeds from the insurance, less all expenses (including reasonable attorneys’ fees and any extraordinary fees of the Trustee) incurred in the realization thereof.

“**Outstanding**” or “**outstanding**” when used with reference to the Certificates and as of any particular date, means all Certificates theretofore authenticated and delivered except: (a) any Certificate canceled by the Trustee (or delivered to the Trustee for cancellation) at or before such date, (b) any Certificate in lieu of or in substitution for which another Certificate shall have been delivered pursuant to the Trust Agreement and (c) any Certificate that is deemed to have been paid pursuant to Article XII of the Trust Agreement.

“**Principal Account**” means an account in the Certificate Fund into which and from which moneys shall be deposited and withdrawn and principal on the Certificates shall be paid in accordance with Article IV of the Trust Agreement.

“**Project Fund**” means the fund so designated that is established under the provisions of the Trust Agreement.

“**Purchase Agreement**” or “**Agreement**” means the Conditional Purchase Agreement between the State, and _____ pursuant to which the State is acquiring the Buses.

“**Purchase Installments**” means the basic payments payable by Purchaser pursuant to the provisions of the Agreement during the Term that are payable in consideration of the right of Purchaser to use the Buses and by which Purchaser acquires its ownership interest in the Buses. Purchase Installments shall be payable by Purchaser to Seller in the amounts and at the times during the Term set forth in Exhibit C in the Agreement.

“**Purchase Price**” means the amount that is equal to the principal of, premium (if any) and interest on the Certificates from time to time outstanding. The Purchase Price shall be payable in Purchase Installments pursuant to the terms of the Agreement.

“**Purchaser**” means the State of Maryland for the use of the Department of Transportation, Maryland Aviation Administration, which entity is purchasing the Buses from Seller under the provisions of the Agreement.

“**Qualified Bank**” means a bank, trust company or national banking association that is a member of the Federal Deposit Insurance Corporation or its successors.

“**Qualified Dealer**” means a securities dealer registered under the Securities Exchange Act of 1934, as amended, which is a member of the Securities Investors Protection Corporation or its successors.

“**Qualified Investment**” means each of the following investments to the extent that the amounts to be invested therein are then permitted to be invested in such investments under Applicable Law:

- (a) Government Obligations;
- (b) Agency Obligations;
- (c) interest bearing time deposits, certificates of deposit or similar arrangements (“Deposits”) with any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee and its affiliates), provided that, to the extent such Deposits are not fully insured by the Federal Deposit Insurance Corporation, the outstanding unsecured long-term indebtedness of such commercial bank, trust company or savings and loan association (or its holding company) is rated by a Rating Agency in one of its three highest Rating Categories, and such Deposits are continuously secured by lodging with a bank or trust company, as collateral security, obligations described in clause (a), (b), (e) or (f) hereof, having a market value, calculated no less frequently than monthly, not less than 102% of the amount of such Deposit;
- (d) repurchase agreements for obligations described in clause (a) or (b) hereof with any Qualified Bank or Qualified Dealer, acting as principal or agent, provided that (i) such obligations shall be (A) delivered to the State or the Trustee (as the case may be) or supported by a safekeeping receipt issued by a depository satisfactory to the State or the Trustee (as the case may be) if issued in certificated form, or (B) supported by a receipt or other confirmatory documentation satisfactory to the State or the Trustee (as the case may be) if issued in book-entry form, (ii) the State or the Trustee (as the case may be) shall have a perfected security interest in such obligations, (iii) such obligations shall be free and clear of any other liens or encumbrances, and (iv) such repurchase agreements shall provide that the value of the underlying obligations shall be continuously maintained at a current market value, calculated no less frequently than monthly, of not less than 102% of the purchase price plus accrued interest;

(e) obligations issued by, or on behalf of, any state of the United States of America or any political subdivision thereof, for the payment of the principal, or redemption price, of and interest on which there shall have been irrevocably deposited Government Obligations maturing as to principal and interest at times and in amounts sufficient to provide such payment;

(f) any other obligations issued by, or on behalf of, any state of the United States of America or any political subdivision thereof, provided that such obligations, or other obligations of the issuer thereof of comparable maturities that are secured equally and ratably with such obligations, shall be rated by a Rating Agency in one of its two highest long-term Rating Categories;

(g) banker's acceptances issued by any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee and its affiliates), the outstanding unsecured long-term indebtedness of which is rated by a Rating Agency in one of its two highest Rating Categories;

(h) commercial paper or finance company paper rated by a Rating Agency in its highest Rating Category;

(i) investment agreements with any Qualified Bank or Qualified Dealer, the outstanding unsecured long-term indebtedness of which (or of the holding company of which) is rated by a Rating Agency in one of its two highest Rating Categories, that are continuously secured by obligations described in clause (a), (b), (e) or (f) hereof, provided that (i) the State or the Trustee (as the case may be) shall have a perfected security interest in such obligations, (ii) such obligations shall be free and clear of any other liens or encumbrances, and (iii) such investment agreements shall provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than 102% of the amount deposited thereunder;

(j) shares in investment companies that invest only in the obligations described in clauses (a), (b), (d), (e) or (f) hereof;

(k) obligations issued and unconditionally guaranteed by (i) the World Bank, (ii) the International Finance Corporation, (iii) the Inter-American Development Bank, (iv) the African Development Bank or (v) the Asian Development Bank, denominated in United States dollars and eligible to be sold in the United States; and

(l) any trust or proprietary fund maintained by the Trustee or its affiliates that invests only in obligations described in clause (a) or (b) hereof.

“Rating Agency” means Moody’s Investors Service, Inc., Fitch Ratings, S&P Global Ratings, or any other securities rating agency that, at the request of the State, shall have assigned a rating that is then in effect with respect to any Certificates, and their successors and assigns, and **“Rating Agencies”** means each such Rating Agency, collectively.

“**Rating Category**” means one of the general rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by numerical modifier or otherwise.

“**Rebate Fund**” means the fund so designated that is established under the provisions of the Trust Agreement.

“**Redemption Account**” means an account in the Certificate Fund into which and from monies shall be deposited and withdrawn in accordance with Article IV of the Trust Agreement.

“**Redemption Price**” means, when used with respect to any Certificate or portion thereof, the principal amount of such Certificate or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the Certificate and the Trust Agreement.

“**Replacement Certificates**” means Certificates issued upon the discontinuance of the maintenance of any Certificates under a book-entry system or the appointment of a replacement Securities Depository in accordance with Section 7.11 of the Trust Agreement.

“**Revenues**” means (i) all payments to be made by the State to the Seller pursuant to the Purchase Agreement; (ii) the proceeds of the Certificates and all amounts from time to time on deposit in the funds and accounts established by the Trust Agreement (except for the amounts on deposit in the Rebate Fund) and (iii) all other revenues derived from the Purchase Agreement.

“**Securities Depository**” means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Series 2019 Certificates appointed pursuant to Section 7.11 of the Trust Agreement, and their successors.

“**Seller**” means _____, as trustee under the Trust Agreement, in its capacity as Seller under the Purchase Agreement, and its successors and assigns.

“**Series 2019 Certificates**” means the Maryland Department of Transportation Certificates of Participation (Baltimore/Washington International Thurgood Marshall Airport Shuttle Bus Fleet Acquisition), Series 2019, dated _____, 2019, executed and delivered under Section 7.01 of the Trust Agreement.

“**Sinking Fund Installment**” means the amount of money provided in the Trust Agreement, and in each Supplemental Trust Agreement authorizing any series of Additional Certificates, to redeem or pay at maturity term Certificates at the times and in the amounts provided in the Trust Agreement or such Supplemental Trust Agreement (as the case may be), less the amount of any credit against such amount arising from the purchase of such Certificates in any prior year as provided in Section 4.03 of the Trust Agreement.

“**State**” means the State of Maryland acting for the use of the Department.

“**State Representative**” means the Deputy Secretary of Transportation, or the Director of the Office of Finance of the Department or any other person authorized by the State to act on its

behalf under or with respect to the Purchase Agreement and the Trust Agreement by written certificate executed by the Secretary of Transportation and delivered to the Trustee.

“Supplemental Trust Agreement” means any trust agreement amending, modifying or supplementing the Trust Agreement, any Supplemental Trust Agreement, the Purchase Agreement or any Certificate executed, delivered and becoming effective in accordance with the terms of the Trust Agreement.

“Tax and Section 148 Certificate” means a tax compliance certificate executed by the Purchaser in connection with the issuance of the Certificates.

“Term” means the duration of the Purchase Agreement as specified in Section 4.01 of the Purchase Agreement.

“Transportation Trust Fund” means the fund maintained by the Department for the deposit of certain revenues and expenditure of certain funds, including the Purchase Installments.

“Trust Agreement” means the Certificate of Participation Trust Agreement dated as of _____, 2019, by and between the Purchaser and the Trustee.

“Trustee” means _____, a banking corporation, organized and existing under the laws of the State of _____, and duly qualified to carry out its duties and responsibilities as Trustee under the Trust Agreement, and as Seller under the Purchase Agreement, and any other corporation which may at any time be substituted in its place in accordance with the Trust Agreement.

APPENDIX B

ANNUAL CERTIFICATE REGARDING APPROPRIATION

[ADDRESS]

The Maryland Department of Transportation (the "Department") certifies that the Maryland General Assembly of the State of Maryland (the "State") has authorized appropriations sufficient to enable the Department and the Maryland Aviation Administration ("MAA") to make the payments required under the Conditional Purchase Agreement dated as of _____, 2019 between the State for use by the Department, MAA, collectively acting as Purchaser, and _____, acting as Seller and Trustee for the immediately succeeding Fiscal Year.

By:

Name:

Title:

Date:

EXHIBIT A

Description of the Project

Proceeds from the sale of the Certificates will be used to finance the acquisition of 30 forty-foot and 10 sixty-foot clean diesel buses, and certain related fees and expenses in connection therewith, for shuttle services between the main terminal and various parking sites of BWI Marshall Airport.

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EXHIBIT B-1

[Letterhead of Counsel for Purchaser]

Based upon the foregoing and upon such other examination as we have deemed necessary or appropriate, we are of the opinion that:

1. No further action, approval or consent is required for the execution and delivery of the Conditional Purchase Agreement dated as of _____, 2019 between Purchaser and Seller (the "Purchase Agreement"), and the Trust Agreement dated as of _____, 2019 between Purchaser and the Trustee (the "Trust Agreement"). The Purchase Agreement and the Trust Agreement have been duly authorized, executed and delivered by Purchaser.

2. The Purchase Agreement and the Trust Agreement, assuming due and proper authorization and execution by the other parties thereto, are legal, valid and binding obligations of Purchaser, enforceable in accordance with their respective terms.

3. To our knowledge, neither the making and performance of the obligations under the Purchase Agreement and the Trust Agreement, nor the transactions contemplated therein, will violate any provisions of law or regulation, or any decree, writ, order or injunctions or any indenture, loan agreement or other agreement binding on Purchaser.

4. Purchaser has not pledged its faith and credit or its taxing power for payment of the Purchase Installments stated in the Purchase Agreement. Payment of any monetary obligations required under the Purchase Agreement is enforceable only if and to the extent appropriations for such purpose are made by the Maryland General Assembly.

5. To our knowledge, there is no litigation of any nature pending or threatened restraining or enjoining the execution and delivery of the Purchase Agreement or the Trust Agreement or affecting Purchaser, which calls into question the validity of the Purchase Agreement or the Trust Agreement, the proceedings and authority under which the transaction described therein was authorized, or the authority of Purchaser to make or perform its obligations thereunder, which, if adversely decided, would materially affect Purchaser's ability to perform its obligations under the Purchase Agreement or the Trust Agreement.

6. Enforceability of the Purchase Agreement and the Trust Agreement may be limited by (i) bankruptcy, insolvency, moratorium, reorganization and other State and federal laws affecting the enforcement of creditors' rights, and (ii) to the extent that certain remedies under such instruments require or may require enforcement by a court of equity, such principles of equity as the court having jurisdiction may impose.

This opinion may be relied upon by _____, _____, _____ in rendering its opinion of even date regarding the above-described transaction.

EXHIBIT B-2

[Letterhead of Counsel for Seller and Trustee]

Based on the foregoing and upon such other examination as we have deemed necessary or appropriate, we are of the opinion that:

1. The Bank is a duly organized and validly existing _____ banking corporation organized existing under the laws of the State of _____, and in good standing and with full power and authority to enter into the Agreement and the Trust Agreement and to perform its obligations as Seller and Trustee, respectively, thereunder.

2. The Bank has full power, authority and legal right to execute, deliver and perform the Agreement, the Trust Agreement and all other instruments and agreements contemplated thereby and to perform its obligations thereunder.

3. To the best of our knowledge, based upon a certificate dated as of the date hereof executed by the general counsel of the Bank, the execution, delivery and performance of the Agreement and the Trust Agreement and the transactions contemplated therein do not require the approval or the consent of any trustee or any holder of any indebtedness or obligation of the Bank; do not contravene any law, government rule, regulations, order or any judgment decree or order of any court or administrative body binding upon the Bank; do not contravene the charter and by-laws of the Bank; and do not contravene the provisions of, or constitute a default under, or result in the creation of any liens upon the property of the Bank under any indenture, mortgage, contract or other agreement, known to us, to which the Bank is a party or by which it or any of its properties may be bound or affected.

4. The Agreement and the Trust Agreement have been duly authorized, executed and delivered by the Bank, and each constitutes the legal, valid and binding agreement of the Bank, enforceable against the Bank in accordance with its terms except to the extent enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or other laws affecting creditors' rights generally and to the extent enforceability thereof may be subject to general principles of equity, which permit the exercise of judicial discretion.

5. To the best of our knowledge, based upon a certificate dated as of the date hereof executed by general counsel of the Bank, there are no actions, suits or proceedings pending, or threatened before any court, administrative agency, arbitrator or governmental body which would, if determined adversely to the Bank, have a material adverse effect on its ability to perform its obligations under the Agreement or the Trust Agreement.

This opinion may be relied upon by _____, _____, _____ in rendering its opinion of even date regarding the above-described transaction.

EXHIBIT C

SCHEDULE OF PAYMENTS

(a) Due Dates. Payments of the Principal Portion and Interest Portion of the Purchase Installments are due and payable on March 1 and September 1 of any year and shall be paid by Purchaser in immediately available funds on such March 1 and September 1, as provided in Exhibit C-1 attached hereto.

(b) Corresponding Payments. Payments of the Principal Portion and Interest Portion of the Purchase Installments by Purchaser shall correspond with the payments of principal and interest which from time to time are required to be made on the Certificates by the Trustee under the Trust Agreement taking into account any reduction to debt service, for example, resulting from the redemption of Certificates prior to their maturity. Such payments by Purchaser shall be reduced by amounts held by the Trustee and made available pursuant to the Trust Agreement for corresponding payments to be made on the Certificates.

(c) (i) If sufficient money for the payment of the principal or redemption price of and interest on all Certificates Outstanding (as defined in the Trust Agreement) shall be held by Trustee (through deposit by Purchaser of moneys for such payment or otherwise, regardless of the source of such moneys), whether at or prior to the maturity or the redemption dates of such Certificates, or (ii) if the maturity or redemption dates of such Certificates shall not then have arrived, and provision shall have been made for the payment of the principal or redemption price of and interest on Certificates on the due dates for such payments, by deposit with Trustee (or other method satisfactory to Trustee) of Government Obligations (as defined in the Trust Agreement) the principal of and the interest on which when due will provide sufficient moneys for such payments, then the obligations of Purchaser to pay the principal and interest portions of the Purchase Installments due under the Purchase Agreement shall be discharged and satisfied.

(d) Certificates are payable in legal tender for the payment of public and private debts upon presentation and surrender subject to arrangements made with the securities depository for Certificates in book-entry form, of any Certificate at the principal corporate trust office of the Trustee. Interest on the Series 2019 Certificates is payable in legal tender for the payment of public and private debts and will be paid to the registered Certificate Holders by check mailed, or other method as agreed to by the State and the securities depository of Certificates in book-entry form, to the registered certificate Holders as their names and addresses appear in the registration books maintained by the trustee as of (i) the first calendar day of the month in which an Interest Payment Date occurs or (ii) in the case of the payment of any defaulted interest, the tenth day before such payment; provided that, at the request of a Holder of Certificates in the aggregate principal amount of at least \$100,000, such payments may be made by wire transfer in accordance with written instructions filed by such Holder with the Trustee.

EXHIBIT C-1

SCHEDULE OF PAYMENTS

MARYLAND DEPARTMENT OF TRANSPORTATION
CERTIFICATES OF PARTICIPATION
(Baltimore/Washington International Thurgood Marshall Airport
Shuttle Bus Fleet Acquisition) Series 2019 \$_____

CERTIFICATE ISSUE DATE: March 27, 2019
INTEREST CALCULATION DATE: September 1 and March 1
FIRST COUPON PAYMENT DATE: September 1, 2019
FINAL MATURITY DATE: March 1, 2034

DRAFT