



NORTH CAROLINA TURNPIKE AUTHORITY
Continuing Disclosure Policy

Business Category: NC Turnpike Authority		Business Area: NC Turnpike Authority	
Approval Date: November 9, 2023	Version Number: 1.00 Replacing Municipal Securities Post-Issuance Disclosure Policy approved May 2, 2019	Last Revision Date: N/A	Next Review Date: Policy Subject to Annual Review
Authority: In accordance with N.C.G.S. Sec. § 136-89.183, 136-89.189 and Article 5 of Chapter 159 of the North Carolina General Statutes.		Select all that apply: <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Requires Board approval <u>The Authority's Board of Directors</u> <input type="checkbox"/> Requires Federal Highways Administration (FHWA) approval <input type="checkbox"/> Requires other external agency approval:	
Definitions: <p>"Authority" means the North Carolina Turnpike Authority.</p> <p>"Board of Directors" means the Authority's Board of Directors.</p> <p>"Continuing Disclosure Undertaking" means an agreement pursuant to which the Authority has agreed to provide annual information and operating data and notice of specified events and which undertaking is required under Rule 15c2-12. The Authority's current Continuing Disclosure Undertakings are set forth in the various supplemental trust agreements pursuant to which it has issued its outstanding bonds.</p> <p>"Contributors" has the meaning set forth in Section 3.1(b)(iii).</p> <p>"Disclosure Coordinator" has the meaning set forth in Section 2.2(a).</p> <p>"Disclosure Document" means any of the documents described in Exhibit A.</p> <p>"Disclosure Procedures" means these Disclosure Policies and Procedures, as the same may be amended, supplemented and revised from time to time.</p> <p>"Disclosure Working Group" means the special sub-committee created under these Disclosure Procedures.</p>			

"EMMA" means the Electronic Municipal Market Access system.

"Event Notice" has the meaning set forth in Section 4.5(c).

"Financing Group" has the meaning set forth in Section 3.1(a).

"Legal Counsel" means the Authority's attorney or attorneys from the North Carolina attorney general's office.

"Listed Event" means individually, or collectively, an event required by Rule 15c2-12 to be disclosed through an event filing on the EMMA. The "listed events" applicable under Rule 15c2-12 at the time of the Continuing Disclosure Undertaking are set forth in the applicable Continuing Disclosure Undertaking.

"MSRB" means Municipal Securities Rulemaking Board, and its successors and assigns.

"Official Statement" means all preliminary and final official statements, private placement memoranda and remarketing memoranda relating to the Authority's offerings, together with any supplements.

"Rule 15c2-12" means Securities and Exchange Commission Rule 15c2-12, as amended.

Policy:

NORTH CAROLINA TURNPIKE AUTHORITY

ARTICLE I

GENERAL

1.1 Purpose. These Disclosure Policies and Procedures of the Authority are intended to ensure that the Disclosure Documents are accurate and comply with all applicable federal and state securities laws.

1.2 Definitions. Each capitalized term used herein has the meaning given to it in the above definitions section.

ARTICLE II

DISCLOSURE WORKING GROUP AND DISCLOSURE COORDINATOR

2.1 Disclosure Working Group.

(a) *Disclosure Working Group Established.* By adoption of these Disclosure Procedures, the Authority hereby establishes the Disclosure Working Group as a special working group within the Authority.

(b) *Members of the Disclosure Working Group.* The initial members of the Disclosure Working Group are: Chief Financial Officer, Financial Analyst, Legal Counsel, and any other designee deemed appropriated by the Chief Financial Officer.

(c) *Meetings.* The Disclosure Working Group shall meet as often as necessary to fulfill its obligations, but not less than once per calendar year by any means permitted under the laws of the State of North Carolina.

(d) *Responsibilities of the Disclosure Working Group.*

- (i) Consult with the Financing Group or other interested parties as advisable related to disclosure issues and practices.
- (ii) Review and approve all Official Statements.
- (iii) Review and approve the Authority's Financial Statements for compliance with these Disclosure Procedures.
- (iv) Review and approve any other Disclosure Documents before such documents are released, including filings required to be made under a Continuing Disclosure Undertaking.
- (v) Review annually the Authority's status and compliance with Continuing Disclosure Undertakings and compliance with these Disclosure Procedures.
- (vi) Review any other items referred to the Disclosure Working Group.
- (vii) Work in concert with the Authority's disclosure counsel to conduct, with the assistance of the Legal Counsel, training as provided in subsection (e).
- (viii) Establish working relationships with professional advisors with expertise in the area of public finance and federal securities laws applicable to the issuance of securities by the Authority.
- (ix) Evaluate the effectiveness of these Disclosure Procedures and approve changes to these Disclosure Procedures.

(e) *Training.*

- (i) The Disclosure Coordinator shall ensure that the Disclosure Working Group, all Contributors and the Board of Directors are properly trained to understand and perform their responsibilities.
- (ii) At a minimum, each member of the Board of Directors shall participate in a disclosure training session as part of his or her new member orientation.
- (iii) The Disclosure Coordinator shall arrange for at least an annual disclosure training session for the Disclosure Working Group conducted by the Authority's disclosure counsel, dissemination agent, or other party deemed appropriate by the Chief Financial Officer. Such training sessions shall include education on these Disclosure Procedures, the Authority's disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of Authority staff and members of the Board of Directors. Such training sessions may be conducted using a recorded presentation.
- (iv) The Disclosure Coordinator shall arrange a meeting for an annual review or, if necessary, an interim review of these Disclosure Policies. The Disclosure Coordinator will be responsible for retaining a record of attendance of such meetings.

(f) *Disclosure Document Status.*

- (i) The Disclosure Working Group is responsible for determining whether a document is a Disclosure Document.

- (ii) The list of Disclosure Documents is set forth on Exhibit A.
- (iii) The Disclosure Working Group shall periodically review and update the list of Disclosure Documents when appropriate.
- (g) *Review and Approval of Disclosure Documents.*
 - (i) Following receipt of a Disclosure Document from the Disclosure Coordinator or the Financing Group, the Disclosure Working Group shall evaluate the Disclosure Document for accuracy and compliance with federal and state securities laws, and shall, if appropriate, ask questions of the Disclosure Coordinator.
 - (ii) The Disclosure Coordinator shall consult with the Authority's disclosure counsel to the extent the Disclosure Coordinator considers appropriate in connection with the review and approval of a Disclosure Document.

2.2 Disclosure Coordinator.

- (a) *Appointment.* The Disclosure Working Group shall select and appoint a disclosure coordinator (the "Disclosure Coordinator").
- (b) *Duties of the Disclosure Coordinator.* The Disclosure Coordinator shall perform the following duties.
 - (i) Serve as a "point person" for personnel to communicate issues or information that should be or may need to be included in any Disclosure Document.
 - (ii) Monitor the Authority's compliance with these Disclosure Procedures and the Authority's Continuing Disclosure Undertakings.
 - (iii) Communicate with all necessary parties regarding the preparation and dissemination of Disclosure Documents to ensure that assigned tasks are completed on a timely basis and to ensure that the Authority is complying with these Disclosure Procedures and the Authority's Continuing Disclosure Undertakings.
 - (iv) Solicit relevant information from Authority departments related to Disclosure Documents; compliance with these Disclosure Procedures or any of the Authority's Continuing Disclosure Undertakings.
 - (v) Maintain the records specified under these Disclosure Procedures and records documenting the Authority's compliance with these Disclosure Procedures.
 - (vi) Determine when Disclosure Documents are final and ready for review by the Disclosure Working Group.
 - (vii) Ensure compliance with training procedures as set forth in these Disclosure Procedures.
 - (viii) Recommend changes to these Disclosure Procedures to the Disclosure Working Group.

ARTICLE III

REVIEW AND APPROVAL OF OFFICIAL STATEMENTS

3.1 Procedures for Preparation and Review of an Official Statement.

(a) *Financing Group.* At the outset of a transaction that will require an Official Statement, the Chief Financial Officer shall identify a Financing Group (the "Financing Group") for such financing (the composition of which may differ for each financing), which shall include, at a minimum, the following individuals, to the extent applicable:

- (i) Chief Financial Officer;
- (ii) Financial Analyst;
- (iii) Legal Counsel (or a deputy designated by the Legal Counsel);
- (iv) the Authority's outside bond counsel and disclosure counsel;
- (v) the Authority's financial advisor;
- (vi) the Authority's underwriter;
- (vii) other third-party consultants related to the financing (such as consulting engineer or rate consultant); and
- (viii) other members of the Disclosure Working Group as the Chief Financial Officer determines to be appropriate.

(b) *General Responsibilities of the Financing Group.*

- (i) Prepare the Official Statement.
- (ii) Solicit relevant information from Authority departments to include in Disclosure Documents.
- (iii) Identify persons assigned to assist with the review or preparation of a Disclosure Document ("Contributors") who (a) should prepare portions of the Official Statement, (b) may have information necessary to prepare portions of the Official Statement or (c) should review portions of the Official Statement.
- (iv) Integrate into the Official Statement information provided by Contributors.
- (v) Transmit the Official Statement to the Disclosure Working Group for review and approval.

(c) *Responsibilities of Chief Financial Officer.*

- (i) Review the Official Statement and any marketing materials or credit package.
- (ii) Participate in any due diligence procedures with underwriters.
- (iii) Identify any significant difference in presentation of financial information from the Financial Statements and ensure there are no misstatements or omissions of material

information in any sections that contain descriptions of information prepared by the Chief Financial Officer (or the relevant staff members) or of relevance to the finances of the Authority.

(iv) Determine, in consultation with the Financing Group, whether the Authority's then-available Financial Statements are appropriate to be included in the Official Statement and whether to seek the consent of the Authority's auditor to include the Financial Statements in the Official Statement.

(d) *Responsibilities of Legal Counsel (or designee).*

(i) Review the Official Statement and any marketing materials or credit package.

(ii) Participate in any due diligence procedures with underwriters.

(iii) Draft descriptions of (i) any significant current, pending or threatened litigation, (ii) any significant settlements or court orders and (iii) any other legal issues that are significant for purposes of the Official Statement.

(e) *Identification of and Contribution from Contributors.*

(i) The Chief Financial Officer shall contact the individuals and departments identified as Contributors as soon as possible in order to provide adequate time for them to perform their assigned tasks.

(ii) The Chief Financial Officer shall inform each Contributor of the applicable requirements of federal securities law, including the standard established by Rule 10b-5, promulgated by the Securities and Exchange Commission.

(iii) Each Contributor shall assist in reviewing and preparing the Official Statement using his or her knowledge of the Authority and, if appropriate, by discussing the Official Statement with other members of the Contributor's department, all for the purpose of ensuring the accuracy of the relevant portions of the Official Statement.

(f) *All-Hands Review.* The Financing Group shall conduct at least one all-hands meeting or conference call to review the Official Statement before transmitting it to the Disclosure Working Group.

(g) *Transmittal to the Disclosure Working Group.* (i) Upon substantial completion of the Official Statement, the Financing Group shall transmit the Official Statement to the Disclosure Working Group.

(ii) When providing the Official Statement to the Disclosure Working Group, the Financing Group shall (a) confirm that the Official Statement accurately states all material information relating to the Authority and that all information relating to the Authority has been critically reviewed by an appropriate person, (b) confirm that all information in the Official Statement other than the information described in the previous clause (a) will be addressed by a closing certificate or opinion by an appropriate person, (c) report any significant disclosure issues and concerns to the Disclosure Working Group and (d) confirm that the Official Statement is in substantially final form and is in a form ready to be "deemed final" by the Board of Directors pursuant to Rule 15c2-12, promulgated by the Securities and Exchange Commission.

3.2 Review by Disclosure Working Group. Following receipt of the Official Statement from the Financing Group, the Disclosure Working Group shall critically evaluate the Official Statement for accuracy and compliance

with federal and state securities laws, and shall, if appropriate, ask questions of the Financing Group and of any Contributor or other person who reviewed or drafted any section of the Official Statement. The Disclosure Working Group may send Official Statements back to the Financing Group for revisions and may instruct the Financing Group to solicit contributions from additional Contributors.

3.3 Submission of Official Statements to Board of Directors for Approval.

(a) *Staff Report.* As part of the docketing process, the Disclosure Coordinator shall cause the Board Secretary to submit all Official Statements to the Board of Directors for approval using a staff report that is similar in form and substance to the template attached as Exhibit C.

(b) *Review of Official Statement.* The Board of Directors shall undertake such review as deemed necessary by the Board of Directors, following consultation with the Disclosure Coordinator, to fulfill the Board of Directors' responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the Authority's disclosure counsel and other representatives of the Financing Group to the extent the Disclosure Coordinator considers appropriate.

(c) *Approval of Official Statement by Board of Directors.* The approval of an Official Statement by the Board of Directors shall be docketed as a new business matter and shall not be approved as a consent item.

ARTICLE IV

CONTINUING DISCLOSURE FILINGS

4.1 Overview. Under the Authority's Continuing Disclosure Undertakings, the Authority is required each year to file certain financial information and operating data and the Authority's audited financial statements. The Authority is also required under its continuing disclosure undertakings to file notices of Listed Events with EMMA.

4.2 Annual Reports. The Disclosure Coordinator shall ensure that the preparation of the Authority's annual reports shall commence as required under each specific continuing disclosure undertaking. Before any annual report is submitted to EMMA, the Disclosure Coordinator shall confer with the Disclosure Working Group as needed regarding the content and accuracy of any such annual report.

4.3 Operating Data. The operating data required to be provided in the annual reports is described in the Authority's Continuing Disclosure Undertakings. A comprehensive list of the Authority's Continuing Disclosure Undertakings shall be maintained by the Disclosure Coordinator.

4.4 Disclosure of Listed Events.

(a) *Notification of the Occurrence of a Listed Event.* Each member of the Disclosure Working Group shall notify the other members of the Disclosure Working Group if he or she becomes aware of any of the Listed Events.

(b) *Determination of Whether to Make a Filing.* The Disclosure Working Group may meet to discuss the event and to determine, in consultation with disclosure counsel to the extent determined by the Disclosure Coordinator, whether a filing is required or is otherwise desirable.

(c) *Event Notices.* If a filing is deemed necessary, the Disclosure Coordinator shall cause to be prepared a notice of the Listed Event (an "Event Notice") that relates to the Continuing Disclosure

Undertakings and the Disclosure Coordinator shall file the Event Notice as required by the Continuing Disclosure Undertakings.

(d) *Filing of Event Notices Without the Review or Approval of the Disclosure Working Group.* The Disclosure Coordinator may file with the MSRB without prior review and approval of the Disclosure Working Group Disclosure Documents that (i) relate to a Listed Event or as a result of the failure to timely file the required annual report or (ii) contain no discretionary content, or both.

4.5 Voluntary Disclosures.

(a) *Notification of the Occurrence of Others Event.* Each member of the Disclosure Working Group shall notify the other members of the Disclosure Working Group if he or she becomes aware of any event (which is not a Listed Event subject to Section 4.4 above) that it deems worthy of review by the Disclosure Working Group for voluntary disclosure on EMMA.

(b) *Determination of Whether to Make a Filing.* The Disclosure Working Group may meet to discuss the event and to determine, in consultation with the Authority's disclosure counsel to the extent determined by the Disclosure Working Group, whether a voluntary filing is desirable.

(c) *Event Notices.* If a filing is deemed desirable, the Disclosure Coordinator shall cause to be prepared a voluntary notice (a "Voluntary Notice") and, in consultation with the Authority's disclosure counsel and subject to section 4.5 (d), the Disclosure Coordinator shall file the Voluntary Notice with EMMA.

(d) *Filing of Event Notices After the Review and Approval of the Disclosure Working Group.* The Disclosure Coordinator will not file the Voluntary Notice with the MSRB until such notice has been reviewed and approved by the Disclosure Working Group.

ARTICLE V

PUBLIC STATEMENTS REGARDING FINANCIAL INFORMATION

5.1 Financial Information. Whenever the Authority makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets (including, without limitation, all Event Notices, statements in the audited financial statements, and other financial reports and statements of the Authority), the Authority is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

5.2 Investor Website. The Authority shall maintain an investor information section of the Authority's website. Disclosure Documents that are relevant to the Authority's securities, and no other information, shall be posted to the investor information section of the Authority's website following review and approval by the Disclosure Working Group. The investor information of the Authority's website shall include the following statement:

"The only information on this Web site that is posted with the intention of reaching the investing public, including bondholders, rating analysts, investment advisors, or any other members of the investment community, is located on the investor information web pages. Other than the specific information presented in the investor information web pages, no other information on the Authority's website is intended to be the basis of or should be relied upon in making an investment decision. Because each security issued by the Authority or its related entities may involve different sources of payment and security, you should refer for additional information to the

official statement and continuing disclosure filings for the particular security. The information posted in the investor information web pages speaks only as of its date."

ARTICLE VI

DOCUMENT RETENTION

6.1 Documents Retention. Document retention is in accordance with the NCDOT Electronic Records and Imaging Policy and Chapter 121 of the North Carolina General Statutes.

Scope: This policy covers all Authority employees and officials of the Authority. It covers disclosure documents filed with the SEC and the Municipal Securities Rulemaking Board's EMMA System, statements made in the Authority's Audited Financial Statements and in any unaudited interim reports, as well as public statements made by authorized Authority officials.

Procedures: N/A

Related Documents: Exhibits Attached.

Revision History

Revision Date	Revision Number	Description

Policy Approval

Signing below certifies that the aforementioned procedure has been vetted by the business area representative, applicable legal counsel (AG's office, etc.), and executive staff member(s).

Legal Counsel

(Responsible for the Unit)

DocuSigned by:

Alan Melnes

8BD7716388C4431...

Signature

01/22/2024

Date

Executive Director, North
Carolina Turnpike Authority

(Responsible for the Unit)

DocuSigned by:

Steve J. Egan

30E8728E3B164B4...

Signature

01/22/2024

Date

Chief Financial Officer, North
Carolina Turnpike Authority

(Responsible for the Unit)

DocuSigned by:

David Roy

082BA71102D240F...

Signature

01/22/2024

Date

Chairman, Board of Directors,
North Carolina Turnpike
Authority

(Responsible for the Unit)

DocuSigned by:

J. R. Hopkins

1D46DA6425B6406...

Signature

01/22/2024

Date

EXHIBIT A

List of Disclosure Documents

1. Official Statements.
2. Financial Statements.
3. Filings made by the Authority with the MSRB, whether made pursuant to a continuing disclosure undertaking to which the Authority is a party or otherwise.
4. Press releases and other information distributed by the Authority for public dissemination to the extent that such releases are reasonably expected, in the determination of the Disclosure Working Group, to reach investors and the trading markets for municipal securities.
5. Rating agency presentations.
6. Postings on the investor information section of the Authority's website.
7. Such portions of the Authority's published adopted annual budget as the Disclosure Working Group determines to be appropriate, which shall at a minimum include the executive summary.
8. Any other communications that are reasonably expected, in the determination of the Disclosure Working Group, to reach investors and the trading markets for municipal securities.

EXHIBIT B

Listed Events

The Disclosure Coordinator should review this list at least once each month to determine whether any event has occurred that may require a filing with EMMA.

1. principal and interest payment delinquencies
2. unscheduled draws on debt service reserves reflecting financial difficulty
3. unscheduled draws on credit enhancements reflecting financial difficulty
4. substitution of credit or liquidity providers, or their failure to perform
5. adverse tax opinions or events affecting the tax-exempt status of the security
6. tender offers
7. defeasances
8. rating changes
9. bankruptcy, insolvency, receivership or similar event of the obligated person
10. failure to provide in a timely manner notice to provide required annual financial information by the date specified in any continuing disclosure undertaking
11. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties

The following events trigger a requirement to file notice of their occurrence on EMMA within a reasonable period of time after their occurrence, once they are determined to be material by the Disclosure Working Group:

1. non-payment related defaults
2. modifications to the rights of security holders
3. bond calls
4. release, substitution or sale of property securing repayments of the securities
5. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such

an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

6. appointment of a successor or additional trustee or the change of name of a trustee

7. incurrence of a financial obligation of the obligated person or agreement of covenants, events of default, remedies, priority rights, or similar terms of a financial obligation of the obligated person, any of which affect security holders

EXHIBIT C

Form of Staff Report Transmitting Official Statement by Chief Financial Officer to North Carolina Turnpike Authority Board of Directors

To: Members of the North Carolina Turnpike Authority Board of Directors

From: Chief Financial Officer

Date: _____

This Staff Report relates to the proposed issuance of _____ (the "Obligations") by the Authority. The Board of Directors is asked to approve issuance of the Obligations and all related documents. The near-final versions of these documents are attached.

The attached Preliminary Official Statement has been reviewed and approved for transmittal to the Board of Directors by the Authority's Disclosure Working Group. The distribution of the Preliminary Official Statement by the Authority is subject to federal securities laws. These laws require the Preliminary Official Statement to include all facts that would be material to an investor in the Obligations. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the Obligations. If the Board of Directors concludes that the Preliminary Official Statement includes all facts that would be material to an investor in the Obligations, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the Preliminary Official Statement has been "deemed final."

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the Authority's compliance with the federal securities laws, has issued guidance as to the duties of the Board of Directors with respect to its approval of the Preliminary Official Statement. In its "Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors" (Release No. 36761 / January 24, 1996) (the "Release"), the SEC stated that, if a member of a governing body has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the Obligations, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the Preliminary Official Statement. In the Release, the SEC stated that the steps that a member of the Board of Directors could take include becoming familiar with the Preliminary Official Statement and questioning staff and consultants about the disclosure of such facts.

Section 1. Purpose of Financing.

[Note to Drafter: to be completed prior to submission to the Board of Directors]

Section 2. *Documents for Approval; Security for the Obligations.*

[Note to Drafter: to be completed prior to submission to the Board of Directors]

Section 3. *Risks Relating to Repayment and Tax-Exempt Status of the Obligations.*

[Note to Drafter: to be completed prior to submission to the Board of Directors]

Section 4. *Requested Approvals.*

[Note to Drafter: to be completed prior to submission to the Board of Directors]

EXHIBIT D

List of Continuing Disclosure Agreements

1. North Carolina General Statute § 136-89.193 (b)
2. Amended and Restated Trust Agreement dated as of December 1, 2019, between North Carolina Turnpike Authority and Wells Fargo Bank, N.A. (Trustee)
3. Trust Agreement dated as of December 1, 2016, between North Carolina Turnpike Authority and Wells Fargo Bank, N.A. (Trustee)
4. Trust Agreement dated as of July 1, 2009, between North Carolina Turnpike Authority and Wells Fargo Bank, N.A. (Trustee)
5. Trust Agreement dated as of October 1, 2010, between North Carolina Turnpike Authority and Wells Fargo Bank, N.A. (Trustee)
6. Section 22 of the TIFIA Loan Agreement dated as of August 5, 2021, between North Carolina Turnpike Authority and the TIFIA Lender
7. Section 22 of the TIFIA Loan Agreement dated as of January 31, 2017, between North Carolina Turnpike Authority and the TIFIA Lender