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### **RESOLUTION WITH RESPECT TO THE DEFEASANCE OF THE SENIOR LIEN TURNPIKE REVENUE BOND ANTICIPATION NOTES, SERIES 2020**

**WHEREAS**, the North Carolina Turnpike Authority (the "Authority") is duly organized and existing under the laws of the State of North Carolina (the "State") within the State Department of Transportation, and is authorized under Article 6H (Public Toll Roads and Bridges) of Chapter 136, as amended (the "Act"), of the North Carolina General Statutes (the "NCGS"), and The State and Local Government Revenue Bond Act, Articles 5 and 9 of Chapter 159, as amended, of the NCGS (the "Revenue Bond Act"), to issue revenue bonds and notes for the purpose of financing and refinancing the cost of acquiring, constructing and equipping "turnpike projects," as defined in the Act;

**WHEREAS**, pursuant to the Act, the Revenue Bond Act, the Amended and Restated Trust Agreement dated as of December 1, 2019 (the "Amended and Restated Trust Agreement") and the Fourth Supplemental Trust Agreement dated as of December 1, 2019, the Authority issued its Triangle Expressway System Revenue Bond, TIFIA Series 2019 (the "TIFIA Series 2019 Bond"), evidencing its obligation to repay a loan in the amount of not to exceed \$499,461,980 (excluding capitalized interest) (the "TIFIA Loan") from the United States Department of Transportation ("USDOT"), pursuant to the Transportation Infrastructure Finance and Innovation Act of 1998 ("TIFIA"), to be used to pay costs of the design and construction, capital improvements and equipment of the Authority's turnpike project known as the "Complete 540 Phase 1" extending the Triangle Expressway from the NC 55 Bypass to east of I-40 and US (the "Project"), under a TIFIA Loan Agreement dated December 17, 2019 (the "TIFIA 2019 Loan Agreement");

**WHEREAS**, on October 29, 2020 the Authority issued its Triangle Expressway System Senior Lien Turnpike Revenue Bond Anticipation Notes, Series 2020 (the "Series 2020 Notes") pursuant to the Amended and Restated Trust Agreement and a Fifth Supplemental Trust Agreement dated as of October 1, 2020, in anticipation of disbursements under the TIFIA 2019 Loan Agreement to be received by the Authority in accordance with the terms of the TIFIA 2019 Loan Agreement;

**WHEREAS**, the Series 2020 Notes are scheduled to mature on February 1, 2024 and may not be prepaid prior to maturity;

**WHEREAS**, on August 5, 2021, the Authority and USDOT executed and delivered a loan agreement dated August 5, 2021 to replace the TIFIA 2019 Loan Agreement (the "TIFIA 2021 Loan Agreement") in order to reset the interest rate applicable to the TIFIA Loan and the related TIFIA Series 2019 Bond from the rate set in 2019 to a lower rate, and, in connection therewith, issued its TIFIA Series 2021 Bond to replace the TIFIA Series 2019 Bond; and

**WHEREAS**, the proceeds of the Series 2020 Notes were used for the purpose of providing funds, together with other available funds, to (a) provide interim financing for a portion of the costs of land acquisition, design, construction and equipping of Complete 540 – Phase 1, (b) pay capitalized interest on the Series 2020 Notes through maturity, and (c) pay certain costs incurred in connection with the issuance of the Series 2020 Notes;

## **DRAFT**

**WHEREAS**, the Authority originally planned to draw on the TIFIA Loan in January 2024 to repay the Series 2020 Notes at their maturity;

**WHEREAS**, the Authority has drawn down the proceeds of the Series 2020 Notes to pay Eligible Project Costs (as defined in the TIFIA 2021 Loan Agreement), including interest on the Series 2020 Notes during construction;

**WHEREAS**, due to market conditions, it has been determined that it is advantageous for the Authority to proceed to draw down the proceeds of the TIFIA Loan and invest those amounts in order to defease the Series 2020 Notes and produce additional investment earnings to replenish project fund contingencies and use for other permitted uses; and

**WHEREAS**, the Authority has determined it to be in the best interest of the Authority to accelerate the draw down on the TIFIA Loan and to defease the Series 2020 Notes prior to maturity;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE NORTH CAROLINA TURNPIKE AUTHORITY HEREBY RESOLVES:**

1. The Authority hereby approves the draw of the proceeds of the TIFIA Loan for the purpose of defeasing the Series 2020 Notes. Any amounts earned on such proceeds in excess of the amounts needed to defease the Series 2020 Notes shall be used to pay costs relating to the Triangle Expressway.
2. The Chairman and other officers and employees of the Authority are authorized and directed to take such action and to execute and deliver any documents, certificates, agreements or other instruments, relating to or reflecting the draw on the TIFIA Loan and the defeasance of the Series 2020 Notes, including any escrow agreement or notices of defeasance and related documents as they, with the advice of counsel, may deem necessary and appropriate to effect the transactions contemplated by this resolution.
3. The Board hereby reaffirms and ratifies all prior resolutions and actions taken in connection with the defeasance of the Series 2020 Notes.
4. This resolution shall take effect immediately upon its passage.

Adopted \_\_\_\_\_, 2023