

Attachment B: Key Indenture Covenants

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