

In the opinion of Co-Bond Counsel, under existing law, as currently enacted and construed, and assuming compliance with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Series 2016A Bonds and with certain covenants described under the heading "TAX MATTERS" herein, interest on the Series 2016A Bonds is excludable from gross income of the owners thereof for federal income tax purposes, except for interest on any Series 2016A Bond for any period during which such Series 2016A Bond is held by a "substantial user" of the facilities financed or refinanced with the proceeds of the Series 2016A Bonds or a "related person" within the meaning of Section 147(a) of the Code, but interest on the Series 2016A Bonds is an item of tax preference under the Code for purposes of determining the alternative minimum tax imposed on individuals and corporations. In the opinion of Co-Bond Counsel, under existing law, as currently enacted and construed, and assuming compliance with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2016B Bonds and with certain covenants described under the heading "TAX MATTERS" herein, interest on the Series 2016B Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Further, interest on the Series 2016B Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" herein for a description of the federal alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2016 Bonds. Co-Bond Counsel is not delivering a federal tax opinion with respect to the Series 2016C Bonds. Interest on the Series 2016C Bonds is required to be included in the gross income of the owners of the Series 2016C Bonds for federal income tax purpose. Co-Bond Counsel is further of the opinion that the Series 2016 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220.



\$80,200,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA

\$101,570,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA

\$71,120,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA

Dated: Date of Delivery

Due: October 1, as shown on inside cover

The \$80,200,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016A (AMT) of the City of Orlando, Florida (the "Series 2016A Bonds"), the \$101,570,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016B (Non-AMT) of the City of Orlando, Florida (the "Series 2016B Bonds"), the \$71,120,000 Greater Orlando Aviation Authority Airport Facilities Taxable Refunding Revenue Bonds, Series 2016C of the City of Orlando, Florida (the "Series 2016C Bonds," and together with the Series 2016A Bonds and the Series 2016B Bonds, the "Series 2016 Bonds") are being issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City"), under and pursuant to various provisions of law, and pursuant to the Airport Facilities Revenue Bond Resolution, originally adopted by the governing board of the Authority (the "Board"), on June 13, 1978, as supplemented and amended from time to time, and as amended and restated on June 24, 2015 (collectively, the "Airport Facilities Revenue Bond Resolution"), and as specifically supplemented by that certain Supplemental Airport Facilities Revenue Bond Resolution, authorizing the issuance of the Series 2016 Bonds, adopted by the Authority on September 21, 2016 (the "2016 Supplemental Resolution," and together with the Airport Facilities Revenue Bond Resolution, the "Bond Resolution"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Bond Resolution. See "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto.

On September 16, 2015, the Board approved amendments to the Airport Facilities Revenue Bond Resolution which will not become effective and incorporated into the Airport Facilities Revenue Bond Resolution until the Authority receives the written consent of the Holders of not less than a majority in aggregate principal amount of Bonds then Outstanding at the time such consent is obtained and certain other approvals and consents (collectively, the "Consent Amendments"). Attached as APPENDIX C hereto is the Proposed Amended and Restated Airport Facilities Revenue Bond Resolution which is blacklined against the Airport Facilities Revenue Bond Resolution to show all of the Consent Amendments (the "Proposed Amended and Restated Bond Resolution"). See also "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein for a summary of the Consent Amendments. Each original purchaser of Series 2016 Bonds will be required to execute a written consent to the Consent Amendments, the form of which is attached hereto as APPENDIX H.

The Series 2016A Bonds are being issued for the purpose of providing funds to: (a) finance a portion of the costs of the 2016 Project (as defined herein), (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016A Bonds, (d) repay draws made on certain of the herein described Existing Lines of Credit, and (e) pay certain costs of issuance of the Series 2016A Bonds. The Series 2016B Bonds are being issued for the purpose of providing funds to: (a) finance a portion of the costs of the 2016 Project, (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016B Bonds, (d) repay certain draws made on the herein described Existing Lines of Credit, and (e) pay certain costs of issuance of the Series 2016B Bonds. The Series 2016C Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority to: (a) refund on an advanced basis the Refunded Bonds described herein and (b) pay certain costs of the issuance of the Series 2016C Bonds. See "PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 BONDS" herein.

The Series 2016 Bonds are being issued as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the Series 2016 Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2016 Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on April 1, 2017. Purchasers of beneficial interests in the Series 2016 Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2016 Bonds will be effected through the DTC book-entry system as described herein. The Series 2016 Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal, interest, and the redemption price, if any, with respect to the Series 2016 Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as paying agent for the Series 2016 Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2016 Bonds are subject to redemption prior to maturity as more fully described herein. See "DESCRIPTION OF THE SERIES 2016 BONDS - Redemption Provisions" herein.

The Series 2016 Bonds are limited obligations, payable solely from and secured by a pledge of Revenues and other moneys pledged therefor, in the manner and to the extent provided in the Bond Resolution, as described herein. The pledge of and lien on the Series 2016 Bonds upon the Revenues is on a parity as to payment with the Outstanding Airport Facilities Revenue Bonds and any Additional Bonds and Refunding Bonds hereafter issued under the Bond Resolution. See "SECURITY FOR THE SERIES 2016 BONDS" herein. On August 10, 2016, the Authority adopted its Amended and Restated Resolution relating to Airline Rates and Charges and Airline Operating Terms and Conditions for the Use of Facilities and Services at Orlando International Airport (the "Rate Resolution"), which applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal (as such terms are defined in the Rate Resolution) at the Airport, and which provides for the payment of fees and charges by such Airlines as more fully described herein, all of which shall become effective on October 1, 2016. Certain Airlines have executed Rate and Revenue Sharing Agreements (the "Revenue Sharing Agreements") with the Authority and, by virtue of being a party to an effective Revenue Sharing Agreement, are eligible to receive a share of certain Authority revenues. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" and "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein and "APPENDIX D - RATE RESOLUTION AND FORM OF REVENUE SHARING AGREEMENT" attached hereto for more information regarding the Rate Resolution and its impact on Revenues.

THE SERIES 2016 BONDS SHALL NOT BE OR CONSTITUTE A GENERAL INDEBTEDNESS OF THE CITY, THE AUTHORITY, THE STATE OF FLORIDA (THE "STATE") OR ANY OTHER POLITICAL SUBDIVISION IN THE STATE, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. THE SERIES 2016 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE NOR BE A LIEN UPON ANY PROPERTY OF THE CITY OR THE AUTHORITY, EXCEPT THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NEITHER THE GENERAL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE SERIES 2016 BONDS AND NO REGISTERED OWNER OF A SERIES 2016 BOND SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF ANY SERIES 2016 BOND, AND THE CITY AND THE AUTHORITY ARE NOT AND SHALL NEVER BE UNDER ANY OBLIGATION TO PAY THE PRINCIPAL OF, INTEREST ON OR ANY PREMIUM WITH RESPECT TO THE SERIES 2016 BONDS EXCEPT FROM THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. THE AUTHORITY HAS NO TAXING POWER.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2016 Bonds. Investors should read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2016 Bonds are offered when, as and if issued by the Authority and received by the Underwriters, and subject to the approval of legality by Greenberg Traurig, P.A., Orlando, Florida, and D. Seaton and Associates, P.A., Orlando, Florida, as Co-Bond Counsel. Certain legal matters will be passed on for the Authority by Broad and Cassel, Orlando, Florida, as Issuer's Counsel to the Authority. Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Ruge H. Hawkins, P.A., Orlando, Florida, have served as Co-Disclosure Counsel. Certain legal matters in connection with the Series 2016 Bonds will be passed upon for the Underwriters by Bryant Miller Oliver P.A., Orlando, Florida, counsel to the Underwriters. Raymond James & Associates, Inc., Winter Park, Florida, Frasca & Associates, L.L.C., New York, New York, and National Minority Consultants, Inc., Orlando, Florida, are Co-Financial Advisors to the Authority. It is expected that the Series 2016 Bonds in definitive form will be available for delivery through DTC on or about October 13, 2016.

BofA Merrill Lynch

Citigroup

Drexel Hamilton, LLC

PNC Capital Markets LLC

Siebert Cisneros Shank & Co., L.L.C.

Stifel, Nicolaus & Company Incorporated

**MATURITIES PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS,
PRICES AND INITIAL CUSIP NUMBERS[†]**

**\$80,200,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$56,495,000 of Serial Bonds

<u>Maturity (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial CUSIP No.[†]</u>
2019	\$1,470,000	5.000%	1.120%	111.290	392274N93
2020	1,540,000	5.000	1.290	114.300	392274P26
2021	1,620,000	5.000	1.430	117.056	392274P34
2022	1,695,000	5.000	1.600	119.274	392274P42
2023	1,785,000	5.000	1.750	121.228	392274P59
2024	1,870,000	5.000	1.860	123.149	392274P67
2025	1,965,000	5.000	2.030	124.235	392274P75
2026	2,065,000	5.000	2.110	125.853	392274P83
2027	2,165,000	5.000	2.230	124.631 ^c	392274P91
2029	2,280,000	5.000	2.410	122.825 ^c	392274Q25
2030	2,390,000	5.000	2.480	122.131 ^c	392274Q33
2031	2,510,000	5.000	2.530	121.638 ^c	392274Q41
2032	2,635,000	5.000	2.590	121.049 ^c	392274Q58
2033	2,765,000	5.000	2.660	120.367 ^c	392274Q66
2034	2,905,000	5.000	2.710	119.882 ^c	392274Q74
2035	3,050,000	5.000	2.760	119.400 ^c	392274Q82
2036	3,205,000	5.000	2.800	119.016 ^c	392274Q90
2037	3,365,000	5.000	2.830	118.729 ^c	392274R24
2038	3,530,000	5.000	2.860	118.443 ^c	392274R32
2039	3,710,000	5.000	2.880	118.253 ^c	392274R40
2040	3,890,000	5.000	2.890	118.157 ^c	392274R65
2041	4,085,000	5.000	2.900	118.062 ^c	392274R73

\$23,705,000 - 5.000% Series 2016A Term Bonds due October 1, 2046,
Yield 2.950%, Price 117.589^c CUSIP No. 392274R57[†]

^c Priced to first optional redemption date of October 1, 2026 at par.

[†] Initial CUSIP numbers have been assigned to the Series 2016A Bonds by an organization not affiliated with the Authority and are included for the convenience of the owners of the Series 2016A Bonds. The Authority is not responsible for the selection, use or accuracy of the CUSIP numbers nor is any representation made as to the accuracy of the CUSIP numbers as to the Series 2016A Bonds indicated above.

\$101,570,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA

\$54,890,000 of Serial Bonds

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial</u> <u>CUSIP No.</u> [†]
2017	\$1,420,000	3.000%	0.850%	102.065	392274R81
2018	1,510,000	5.000	0.910	107.953	392274R99
2019	1,750,000	5.000	0.990	111.694	392274S23
2020	1,830,000	5.000	1.110	115.054	392274S31
2021	1,930,000	5.000	1.210	118.215	392274S49
2022	2,025,000	5.000	1.340	120.920	392274S56
2023	2,120,000	4.000	1.470	116.694	392274S64
2024	2,210,000	5.000	1.570	125.591	392274S72
2025	2,320,000	4.000	1.720	118.870	392274S80
2026	2,410,000	5.000	1.810	128.970	392274S98
2027	2,530,000	5.000	1.940	127.608 ^c	392274T22
2028	2,415,000	5.000	2.050	126.469 ^c	392274T30
2029	2,775,000	5.000	2.160	125.342 ^c	392274T48
2030	2,920,000	5.000	2.190	125.037 ^c	392274T55
2031	3,060,000	5.000	2.250	124.429 ^c	392274T63
2032	3,220,000	4.000	2.630	111.942 ^c	392274T71
2033	3,345,000	5.000	2.380	123.124 ^c	392274T89
2034	1,500,000	4.000	2.730	111.015 ^c	392274T97
2034	2,015,000	5.000	2.430	122.626 ^c	392274U87
2035	3,675,000	5.000	2.480	122.131 ^c	392274U20
2036	3,860,000	5.000	2.520	121.736 ^c	392274U38
2037	4,050,000	5.000	2.550	121.441 ^c	392274U46

\$2,500,000 - 4.000% Series 2016B Term Bonds due October 1, 2039,
Yield 2.900%, Price 109.461^c CUSIP No. 392274U79[†]

\$6,205,000 - 5.000% Series 2016B Term Bonds due October 1, 2039,
Yield 2.600%, Price 120.951^c CUSIP No. 392274U95[†]

\$14,705,000 - 5.000% Series 2016B Term Bonds due October 1, 2042,
Yield 2.630%, Price 120.659^c CUSIP No. 392274U53[†]

\$23,270,000 - 5.000% Series 2016B Term Bonds due October 1, 2046,
Yield 2.670%, Price 120.270^c CUSIP No. 392274U61[†]

^c Priced to first optional redemption date of October 1, 2026 at par.

[†] Initial CUSIP numbers have been assigned to the Series 2016B Bonds by an organization not affiliated with the Authority and are included for the convenience of the owners of the Series 2016B Bonds. The Authority is not responsible for the selection, use or accuracy of the CUSIP numbers nor is any representation made as to the accuracy of the CUSIP numbers as to the Series 2016B Bonds indicated above.

\$71,120,000
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA

\$50,290,000 of Serial Bonds

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial</u> <u>CUSIP No.</u> [†]
2017	\$ 450,000	1.074%	1.074%	100.000	392274L46
2018	635,000	1.262	1.262	100.000	392274L53
2019	640,000	1.412	1.412	100.000	392274L61
2020	650,000	1.633	1.633	100.000	392274L79
2021	660,000	1.833	1.833	100.000	392274L87
2022	675,000	2.103	2.103	100.000	392274L95
2023	3,150,000	2.253	2.253	100.000	392274M29
2024	2,745,000	2.422	2.422	100.000	392274M37
2025	3,310,000	2.522	2.522	100.000	392274M45
2026	3,400,000	2.622	2.622	100.000	392274M52
2027	3,485,000	2.722	2.722	100.000	392274M60
2028	3,580,000	2.872	2.872	100.000	392274M78
2029	3,685,000	2.972	2.972	100.000	392274M86
2030	3,790,000	3.022	3.022	100.000	392274M94
2031	3,905,000	3.072	3.072	100.000	392274N28
2032	4,025,000	3.294	3.294	100.000	392274N51
2033	4,155,000	3.344	3.344	100.000	392274N69
2034	3,100,000	3.394	3.394	100.000	392274N77
2035	500,000	3.444	3.444	100.000	392274N85
2036	3,750,000	3.494	3.494	100.000	392274N36

\$20,830,000 - 3.594% Series 2016C Term Bonds due October 1, 2039,
Yield 3.594%, Price 100.000 CUSIP No. 392274N44[†]

[†] Initial CUSIP numbers have been assigned to the Series 2016C Bonds by an organization not affiliated with the Authority and are included for the convenience of the owners of the Series 2016C Bonds. The Authority is not responsible for the selection, use or accuracy of the CUSIP numbers nor is any representation made as to the accuracy of the CUSIP numbers as to the Series 2016C Bonds indicated above.

**Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399
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Authority Board Members

Frank Kruppenbacher, Chairman
Dean Asher, Vice Chairman
Domingo Sanchez, Treasurer
The Honorable Buddy Dyer, Mayor, City of Orlando
The Honorable Teresa Jacobs, Mayor, Orange County
Ed Fouche, Member
James Palmer, Member

City Council Commissioners

Buddy Dyer, Mayor
Jim Gray
Tony Ortiz
Robert F. Stuart
Patty Sheehan
Regina I. Hill
Samuel B. Ings

Authority Management

Phillip N. Brown, A.A.E., Executive Director
Stanley J. Thornton, Chief Operating Officer
Kathleen M. Sharman, Chief Financial Officer

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Frasca & Associates, LLC
New York, New York

National Minority Consultants, Inc.
Orlando, Florida

Airport Consultant

Leigh Fisher
Burlingame, California

Independent Auditors

Moore Stephens Lovelace, P.A.
Winter Park, Florida

NO DEALER, BROKER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE AUTHORITY, THE CITY OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, IN CONNECTION WITH THE OFFERING OF THE SERIES 2016 BONDS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2016 BONDS AND THERE SHALL BE NO SALE OF THE SERIES 2016 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE THE IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE AUTHORITY SINCE THE DATE HEREOF OR THE EARLIEST DATE AS OF WHICH SUCH INFORMATION IS GIVEN.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING STATEMENT FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE SERIES 2016 BONDS. STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, FORECASTS OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED IN THIS OFFICIAL STATEMENT, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACTS.

THIS OFFICIAL STATEMENT CONTAINS CERTAIN "FORWARD-LOOKING STATEMENTS" CONCERNING THE AUTHORITY'S OPERATIONS, PERFORMANCE AND FINANCIAL CONDITION, INCLUDING THE AUTHORITY'S FUTURE ECONOMIC PERFORMANCE, PLANS AND OBJECTIVES AND THE LIKELIHOOD OF SUCCESS IN DEVELOPING AND EXPANDING THE AIRPORT. THESE STATEMENTS ARE BASED UPON A

NUMBER OF ASSUMPTIONS AND ESTIMATES WHICH ARE SUBJECT TO UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE AUTHORITY. THE WORDS "MAY," "WOULD," "COULD," "WILL," "EXPECT," "ANTICIPATE," "BELIEVE," "INTEND," "PLAN," "ESTIMATE" AND SIMILAR EXPRESSIONS ARE MEANT TO IDENTIFY THESE FORWARD-LOOKING STATEMENTS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED BY THESE FORWARD-LOOKING STATEMENTS.

ALL SUMMARIES HEREIN OF DOCUMENTS AND AGREEMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AND AGREEMENTS, AND ALL SUMMARIES HEREIN OF THE SERIES 2016 BONDS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FORM THEREOF INCLUDED IN THE AFORESAID DOCUMENTS AND AGREEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2016 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2016 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2016 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THE SERIES 2016 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2016 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2016 BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2016 BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE:

WWW.MUNIOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE AUTHORITY'S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE AUTHORITY, ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR ANY PURPOSE INCLUDING FOR PURPOSES OF RULE 15C2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION.

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OFFICIAL STATEMENT

relating to

\$80,200,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$101,570,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA**

and

\$71,120,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA**

INTRODUCTION

General

The purpose of this Official Statement, which includes the cover page, the inside cover and appendices attached hereto, is to set forth information concerning the Greater Orlando Aviation Authority (the "Authority"), the Airport System, the City of Orlando, Florida (the "City"), and certain other information in connection with the sale of the \$80,200,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016A (AMT) of the City of Orlando, Florida (the "Series 2016A Bonds"), the \$101,570,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016B (Non-AMT) of the City of Orlando, Florida (the "Series 2016B Bonds") and the \$71,120,000 Greater Orlando Aviation Authority Airport Facilities Taxable Refunding Revenue Bonds, Series 2016C of the City of Orlando, Florida (the "Series 2016C Bonds," and together with Series 2016A Bonds and the Series 2016B Bonds, the "Series 2016 Bonds"). The Series 2016A Bonds and the Series 2016B Bonds are referred to herein as the "New Money Bonds" and the Series 2016C Bonds are referred to herein as the "2016 Refunding Bonds."

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, the more complete and detailed information contained in the entire Official Statement, including the cover page and the appendices attached hereto, and the documents summarized or described herein. Before making an investment decision, a full review should be made of the entire Official Statement and of the documents summarized or described herein. The offering of the Series 2016 Bonds to potential investors is made only by means of the entire Official Statement, including the appendices attached hereto. No person is authorized to detach this Introduction from this Official Statement or to otherwise use it without the entire Official Statement including the appendices attached hereto.

Authorization for the Series 2016 Bonds

Under the Act (as defined herein), the Authority is authorized to issue revenue bonds to finance airport facilities and to refund outstanding bonds or other indebtedness of the Authority. The New Money Bonds and the 2016 Refunding Bonds are being issued by the Authority as Additional Bonds and Refunding Bonds, respectively, under and pursuant to various provisions of law, and pursuant to the Airport Facilities Revenue Bond Resolution, originally adopted by the Board of the Authority on June 13, 1978, as supplemented and amended from time to time, and as amended and restated on June 24, 2015 (collectively, the "Airport Facilities Revenue Bond Resolution"), and as specifically supplemented by that certain Supplemental Airport Facilities Revenue Bond Resolution, authorizing the issuance of the Series 2016 Bonds, adopted by the Board of the Authority on September 21, 2016 (the "2016 Supplemental Resolution," and together with the Airport Facilities Revenue Bond Resolution, the "Bond Resolution"). Unless otherwise defined herein, capitalized terms used in this Official Statement shall have the meanings set forth in the Bond Resolution. See "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto.

Consent to Future Amendments

On September 16, 2015, the Board approved amendments to the Airport Facilities Revenue Bond Resolution which will not become effective and incorporated into the Airport Facilities Revenue Bond Resolution until the Authority receives the written consent of the Holders of not less than a majority in aggregate principal amount of Bonds then Outstanding at the time such consent is obtained and certain other approvals, notices and consents (collectively, the "Consent Amendments"). The effective date of such amendments is referred to herein as the "Consent Effective Date." Attached as APPENDIX C hereto is the Proposed Amended and Restated Airport Facilities Revenue Bond Resolution blacklined to reflect all of the Consent Amendments (the "Proposed Amended and Restated Bond Resolution"). See also "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein for a summary of the Consent Amendments. Each purchaser of Series 2016 Bonds

will be required to execute a written consent to the Consent Amendments, the form of which is attached hereto as APPENDIX H.

The Authority and the Airport System

The Authority was established as an agency of the City pursuant to Chapter 57-1658, Special Laws of Florida 1957 which was subsequently repealed, recodified and amended by Chapter 98-492, Special Laws of Florida 1998, as amended (the "Act"). The Airport is owned by the City. Pursuant to an Amended and Restated Operation and Use Agreement dated August 31, 2015, and effective as of October 1, 2015, by and between the City and the Authority (the "Transfer Agreement"), the City has transferred to the Authority custody, control and management of the Airport for a term that will expire on September 30, 2065, subject to early termination under certain conditions, unless extended by the City and the Authority.

The Authority operates the Airport System for the accommodation of air commerce and transportation. The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Bonds or the interest or the premium, if any, thereon. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM" herein and "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto.

The Authority is governed by a seven-member board (the "Board"). Five members are appointed by the Governor of the State of Florida (the "State"), subject to confirmation by the State Senate, one member is the Mayor of the City and one member is the Mayor of Orange County, Florida. One of the five members of the Board appointed by the Governor must be a resident of Osceola County, Florida. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Authority Governing Board and Management" herein.

Purpose of the Series 2016 Bonds

Series 2016A Bonds. The Series 2016A Bonds are being issued for the purpose of providing funds to: (a) finance a portion of the costs of the 2016 Project (as defined herein), (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016A Bonds, (d) repay draws made on certain of the herein described Existing Lines of Credit, and (e) pay certain costs of issuance with respect to the Series 2016A Bonds. See "PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 BONDS" herein.

Series 2016B Bonds. The Series 2016B Bonds are being issued for the purpose of providing funds to: (a) finance a portion of the costs of the 2016 Project, (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016B Bonds, (d) repay certain draws made on the herein described Existing Lines of Credit, and (e) pay certain costs of issuance with respect to the Series 2016B Bonds. See "PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 BONDS" herein.

Series 2016C Bonds. The Series 2016C Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority to: (a) refund on an advanced basis the herein described Refunded Bonds and (b) pay certain costs of issuance with respect to the Series 2016C Bonds. See "PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS" and "SECURITY FOR THE SERIES 2016 BONDS" herein.

Description of the Series 2016 Bonds

The Series 2016 Bonds are being issued as fully registered bonds and will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the Series 2016 Bonds will be made in book-entry only form, in the principal amount of \$5,000 and any integral multiple of \$5,000. Interest on the Series 2016 Bonds will accrue from their dated date and will be payable on April 1 and October 1 of each year commencing on April 1, 2017. Purchasers of beneficial interests in the Series 2016 Bonds will not receive physical delivery of certificates. Transfers of beneficial interests in the Series 2016 Bonds will be effected through the DTC book-entry system as described herein. The Series 2016 Bonds will not be transferable or exchangeable, except for transfer to another nominee of DTC or otherwise as described herein. Principal, interest, and the redemption price, if any, with respect to the Series 2016 Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as paying agent for the Series 2016 Bonds to Cede & Co., as nominee of DTC. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Series 2016 Bonds are subject to redemption prior to maturity as more fully described herein. See "DESCRIPTION OF THE SERIES 2016 BONDS - Redemption Provisions" herein.

Security for the Series 2016 Bonds

The Series 2016 Bonds are limited obligations, payable solely from and secured by a pledge of the Revenues and other funds pledged therefor in the manner and to the extent provided in the Bond Resolution, as described herein. The pledge of and lien on the Series 2016 Bonds upon the Revenues is on a parity as to payment with the

Outstanding Airport Facilities Revenue Bonds and any Additional Bonds and Refunding Bonds hereafter issued under the Bond Resolution. See "SECURITY FOR THE SERIES 2016 BONDS" herein.

THE SERIES 2016 BONDS SHALL NOT BE OR CONSTITUTE A GENERAL INDEBTEDNESS OF THE CITY, THE AUTHORITY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION IN THE STATE, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. THE SERIES 2016 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE NOR BE A LIEN UPON ANY PROPERTY OF THE CITY OR THE AUTHORITY, EXCEPT THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NEITHER THE GENERAL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE SERIES 2016 BONDS AND NO REGISTERED OWNER OF A SERIES 2016 BOND SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF ANY SERIES 2016 BOND, AND THE CITY AND THE AUTHORITY ARE NOT AND SHALL NEVER BE UNDER ANY OBLIGATION TO PAY THE PRINCIPAL OF, INTEREST ON OR ANY PREMIUM WITH RESPECT TO THE SERIES 2016 BONDS EXCEPT FROM THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. THE AUTHORITY HAS NO TAXING POWER.

The Authority has previously issued various series of Airport Facilities Revenue Bonds pursuant to the Bond Resolution, \$872,795,000 aggregate principal amount of which shall be outstanding as of October 2, 2016 (the "Outstanding Airport Facilities Revenue Bonds"). The New Money Bonds and the 2016 Refunding Bonds are being issued as Additional Bonds and Refunding Bonds, respectively, pursuant to the Bond Resolution and will be secured on a parity with the Outstanding Airport Facilities Revenue Bonds as to the pledge of, lien on and source of payment from Revenues and other sources described in the Bond Resolution. Subject to certain conditions as set forth in the Bond Resolution, Additional Bonds and Refunding Bonds may be issued under the Bond Resolution on a parity with the Outstanding Airport Facilities Revenue Bonds and the Series 2016 Bonds. See "SECURITY FOR THE SERIES 2016 BONDS" herein. The Outstanding Airport Facilities Revenue Bonds, the Series 2016 Bonds and any Additional Bonds and Refunding Bonds hereafter issued are collectively referred to as the "Bonds."

The Authority also has incurred, and may continue to incur, indebtedness and other obligations that are junior and subordinate to the Series 2016 Bonds. See "SECURITY FOR THE SERIES 2016 BONDS - Outstanding Subordinated Indebtedness" herein.

Capital Improvement Program

On September 21, 2016, the Authority approved its 2016 - 2023 Capital Improvement Program (as defined herein) and expects to issue Additional Bonds (in addition to the New Money Bonds) and Subordinated Indebtedness in the future to provide funding for portions of the 2016 - 2023 Capital Improvement Program. See "CAPITAL IMPROVEMENT PROGRAM" and "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Cost and Schedule of the 2016 - 2023 Capital Improvement Program" herein.

Rate Resolution and Revenue Sharing Agreements

On August 10, 2016, the Authority adopted its Amended and Restated Resolution relating to Airline Rates and Charges and Airline Operating Terms and Conditions for the Use of Facilities and Services at Orlando International Airport (the "Rate Resolution"), which applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal (as such terms are defined in the Rate Resolution) at the Airport. The Rate Resolution provides for the payment of fees and charges by such Airlines as more fully described herein and shall become effective on October 1, 2016. Certain Airlines have executed Rate and Revenue Sharing Agreements (the "Revenue Sharing Agreements") with the Authority and, by virtue of being a party to an effective Revenue Sharing Agreement, are eligible to receive a share of certain Authority revenues. The Rate Resolution has no expiration date and may be amended at any time by the Authority as it deems necessary or appropriate. The Revenue Sharing Agreements expire on September 30, 2016. On August 10, 2016, the Authority approved new Revenue Sharing Agreements for Fiscal Years 2017 through 2019. Under the new Revenue Sharing Agreements, the Authority has agreed to pay to the Participating Airlines (as hereinafter defined) the following amounts each year, but only after the Authority pays all debt service, operating expenses, and reserves, and retains revenues from certain specified sources, plus an additional \$65 million in revenues from all other sources: (a) 65% of the next \$39 million of remaining revenues in Fiscal Year 2017, of the next \$40 million of remaining revenues in Fiscal Year 2018 and of the next \$58 million of remaining revenues in Fiscal Year 2019, (b) then, the next \$10 million in remaining revenues for each Fiscal Year, and (c) finally, 65% of all remaining revenues thereafter for each Fiscal Year. Airlines that are parties to an effective Revenue Sharing Agreement with the Authority are referred to herein as "Participating Airlines." Airlines that are not parties to an effective Revenue Sharing Agreement with the Authority do not share Authority revenues but are still subject to the provisions of the Rate Resolution, and are referred to

herein as "Non-Participating Airlines." See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" and "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein for more information regarding the Rate Resolution and its impact on Revenues. A copy of the Rate Resolution and the form of Revenue Sharing Agreement are attached hereto as APPENDIX D.

Continuing Disclosure

In order to assist the Underwriters (as defined herein) in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission ("SEC") promulgated pursuant to the Securities Exchange Act of 1934, as in effect on the date hereof (the "Rule"), simultaneously with the issuance of the Series 2016 Bonds, the Authority will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") with Digital Assurance Certification, L.L.C. ("DAC"), as initial dissemination agent. See "CONTINUING DISCLOSURE" herein and "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto for more information regarding the Continuing Disclosure Agreement and the information to be provided.

Report of the Airport Consultant

In connection with the issuance of the New Money Bonds, the Authority has commissioned LeighFisher (the "Airport Consultant") to prepare the Report of the Airport Consultant dated September 21, 2016 (the "Report of the Airport Consultant"). The Report of the Airport Consultant is attached hereto as APPENDIX A, and should be read in its entirety to obtain a more complete description of the Airport, its operation, the 2016-2023 Capital Improvement Program, and other proposed improvements. See "REPORT OF THE AIRPORT CONSULTANT AND RATE COVENANT FORECAST" herein and "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" attached hereto.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement contains brief descriptions of, among other matters, the Authority, the Airport System, the Series 2016 Bonds, and the security and sources of payment for the Series 2016 Bonds. The Report of the Airport Consultant, the Airport Facilities Revenue Bond Resolution, the Proposed Amended and Restated Bond Resolution, the Continuing Disclosure Agreement, the Rate Resolution, the form of Revenue Sharing Agreement, and the form of the Bondholder Consent to Consent Amendments, are attached as appendices hereto. References to such documents are qualified in their entirety to the copies and forms thereof attached hereto. Summaries of the Act and various constitutional provisions, statutes, and other documents are intended

as summaries only and are qualified in their entirety by reference to such documents. To the extent not provided as an appendix hereto, copies of the Act and other documents referred to herein may be obtained upon written request and payment of any applicable charge for copying, mailing and handling, from the Office of the Chief Financial Officer, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4399.

PLAN OF FINANCE

2016 Project

A portion of the proceeds of the New Money Bonds will be used to finance the costs of the construction of (i) the expansion of the ticket lobbies in Terminals A and B to incorporate new technology and provide greater capacity, (ii) improvements to the federal inspection services facilities, construction of a new central energy plant air handling unit, conversion of domestic gates to swing gates to accommodate increased international service, and renovation of restroom facilities, all at Airside 4, (iii) replacement of the automated people movers, including a new operating system and running surfaces, for Airsides 1 and 3, and (iv) construction of the South Airport Automated People Mover ("APM") Complex, which includes an APM system, an APM station, a parking facility and related roadway improvements, as well as related site work and infrastructure improvements. In addition to completion of the improvements described above, the 2016 Project includes construction of improvements to the terminal Loop Road consisting of mill and overlay of the existing asphalt pavement, reconstruction of the isolated destructed area, and new roadway pavement markings and improvements to the roadway lighting. A portion of the 2016 Project described above was financed with proceeds of the Authority's Airport Facilities Revenue Bonds, Series 2015A (AMT) (the "Series 2015A Bonds"). See "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" and "CAPITAL IMPROVEMENT PROGRAM - The 2016 Project" herein.

Refunded Bonds

The 2016 Refunding Bonds are being issued by the Authority to provide funds which will be used, together with other legally available funds of the Authority, for the purpose of (i) advance refunding the Authority's Airport Facilities Revenue Bonds, Series 2009C (Non-AMT) maturing between October 1, 2023 and October 1, 2039 (excluding the October 1, 2024 maturity bearing a 4.50% coupon), in the principal amount of \$63,065,000 (the "Refunded Bonds") and (ii) pay certain costs of issuance with respect to the 2016 Refunding Bonds.

The Refunded Bonds shall be advance refunded on October 1, 2019 at a redemption price equal to 100.00.

To effect the refunding and redemption of the Refunded Bonds, a portion of the proceeds of the 2016 Refunding Bonds, together with other available funds of the Authority will be deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") in escrow deposit trust funds created under that certain Escrow Deposit Agreement (the "Escrow Deposit Agreement"). The proceeds of the 2016 Refunding Bonds, together with other available funds of the Authority deposited with the Escrow Agent, other than initial cash deposits, shall be applied by the Escrow Agent to purchase certain U.S. Treasury obligations (the "Investment Securities"), the principal of and interest on which shall be sufficient, together with the initial cash deposits, to pay the principal of, and accrued interest on the Refunded Bonds on their respective redemption dates. The portion of the proceeds of the 2016 Refunding Bonds held by the Escrow Agent as well as the maturing principal and interest on the Investment Securities and any other amounts held by the Escrow Agent under the Escrow Deposit Agreement will be held in trust for the sole benefit of the holders of the Refunded Bonds. Such amounts will not be available to pay the principal of, or premium, if any, or interest on the Series 2016 Bonds. The sufficiency of the amounts deposited pursuant to the Escrow Deposit Agreement to pay the principal of and accrued interest on the Refunded Bonds shall be verified by GNP Services, CPA, PA, as verification agent (the "Verification Agent"). See "VERIFICATION OF ARITHMETICAL COMPUTATIONS" herein.

Upon the deposit of such funds with the Escrow Agent, the purchase of such Investment Securities and the filing of certain notices and instructions required under the Bond Resolution, in the opinion of Co-Bond Counsel, rendered in reliance on the verification report of the Verification Agent, described under "VERIFICATION OF ARITHMETICAL COMPUTATIONS" herein, the Refunded Bonds will be deemed paid and shall cease to be entitled to any lien, benefit or security under the Airport Facilities Revenue Bond Resolution and all covenants, agreements and obligations of the Authority to the holders of the Refunded Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2016 Bonds and certain Authority moneys are expected to be applied as follows:

Sources:	Series 2016A Bonds	Series 2016B Bonds	Series 2016C Bonds	Total
Par Amount of Series 2016 Bonds	\$80,200,000.00	\$101,570,000.00	\$71,120,000.00	\$252,890,000.00
Plus Bond Premium	15,405,379.75	20,570,840.90	-	35,976,220.65
Other Authority Funds	-	-	261,897.92	261,897.92
 Total Sources	 \$95,605,379.75	 \$122,140,840.90	 \$71,381,897.92	 \$289,128,118.57
 Uses:				
Deposit to Escrow Deposit Trust Funds	-	-	\$70,719,734.41	\$70,719,734.41
Deposit to Composite Reserve Subaccount of Debt Service Reserve Account	\$2,174,224.86	\$2,753,566.34	-	4,927,791.20
Line of Credit Payment	37,631,335.24	65,957,006.92	-	103,588,342.16
Deposit to the Construction Accounts	50,237,051.66	52,001,948.34	-	102,239,000.00
Deposit to Capitalized Interest Subaccount	4,798,095.83	468,538.33	-	5,266,634.16
Costs of Issuance ⁽¹⁾	764,672.16	959,780.97	662,163.51	2,386,616.64
 Total Uses	 \$95,605,379.75	 \$122,140,840.90	 \$71,381,897.92	 \$289,128,118.57

⁽¹⁾ Includes, among other things, Underwriters' discount, and legal, financial and administrative expenses with respect to the Series 2016 Bonds.

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DESCRIPTION OF THE SERIES 2016 BONDS

General

The Series 2016 Bonds are being issued as Additional Bonds and Refunding Bonds under the Bond Resolution, solely in the form of fully registered bonds, and in Authorized Denominations of \$5,000 and any integral multiple thereof. The Series 2016 Bonds shall be dated the date of the delivery thereof, and will mature and bear interest from their dated date to their respective maturity dates in the amounts and at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2016 Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as registrar, paying agent and trustee for the Series 2016 Bonds on April 1 and October 1 of each year commencing on April 1, 2017, provided however, that if any such day is not a business day (i.e., a Saturday, Sunday, legal holiday or a day in which banking institutions in the city where the corporate trust offices of the Paying Agent is located are closed, or a date on which the Paying Agent is closed), then such payment shall be made on the next business day thereafter without payment of additional interest. Interest shall be paid by check or draft mailed by the Paying Agent to the registered owners thereof as their addresses appear on the registration books maintained by the Trustee, as Bond Registrar, at the close of business on the 15th day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Series 2016 Bonds after such Record Date and before such interest payment date unless the Authority shall be in default of interest due on such interest payment date. The principal of the Series 2016 Bonds will be payable at the corporate trust operations office of the Trustee in Jacksonville, Florida. Registered owners of \$1,000,000 or more in principal amount of Series 2016 Bonds may arrange for the payment of principal and interest with respect to the Series 2016 Bonds by wire transfer in immediately available funds by written request made to the Trustee within certain times and upon certain conditions set forth in the Bond Resolution.

So long as Cede & Co. is the registered owner of the Series 2016 Bonds, all payments of principal, premium, if any, and interest on the Series 2016 Bonds are payable by wire transfer by the Trustee to Cede & Co., as nominee for DTC, which, in turn, is expected to remit such amounts to the DTC Participants (as defined herein) for subsequent disposition to Beneficial Owners (as defined herein). See "BOOK-ENTRY ONLY SYSTEM" herein.

Redemption Provisions

Optional Redemption - Series 2016A Bonds. The Series 2016A Bonds maturing on or after October 1, 2027 are subject to redemption prior to maturity, at the option of the Authority, in whole or in part, on October 1, 2026 and any date thereafter, and if in part, in such maturities as the Authority may direct, at a Redemption Price equal to the

principal amount of the Series 2016A Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Optional Redemption - Series 2016B Bonds. The Series 2016B Bonds maturing on or after October 1, 2027 are subject to redemption prior to maturity, at the option of the Authority, in whole or in part, on October 1, 2026 and any date thereafter, and if in part, in such maturities as the Authority may direct, at a Redemption Price equal to the principal amount of the Series 2016B Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Optional Redemption - Series 2016C Bonds. The Series 2016C Bonds maturing on or after October 1, 2027 are subject to redemption prior to maturity, at the option of the Authority, in whole or in part, on October 1, 2026 and any date thereafter, and if in part, in such maturities as the Authority may direct, at a Redemption Price equal to the principal amount of the Series 2016C Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption - Series 2016A Bonds. The Series 2016A Bonds maturing on October 1, 2046 bearing interest at a rate of 5.000% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof, plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

Series 2016A Term Bonds maturing on October 1, 2046	
Year	Principal Amount
2042	\$4,290,000
2043	4,500,000
2044	4,725,000
2045	4,970,000
2046*	5,220,000

* Maturity

Mandatory Redemption - Series 2016B Bonds. The Series 2016B Bonds maturing on October 1, 2039 bearing interest at a rate of 4.000% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof, plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

**Series 2016B Term Bonds
maturing on October 1, 2039**

Year	Principal Amount
2038	\$1,225,000
2039*	1,275,000

* Maturity

Mandatory Redemption. The Series 2016B Bonds maturing on October 1, 2039 bearing interest at a rate of 5.000% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof, plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

**Series 2016B Term Bonds
maturing on October 1, 2039**

Year	Principal Amount
2038	\$3,025,000
2039*	3,180,000

* Maturity

Mandatory Redemption. The Series 2016B Bonds maturing on October 1, 2042 bearing interest at a rate of 5.000% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof, plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

**Series 2016B Term Bonds
maturing on October 1, 2042**

Year	Principal Amount
2040	\$4,665,000
2041	4,895,000
2042*	5,145,000

* Maturity

Mandatory Redemption. The Series 2016B Bonds maturing on October 1, 2046 bearing interest at a rate of 5.000% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof,

plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

**Series 2016B Term Bonds
maturing on October 1, 2046**

Year	Principal Amount
2043	\$5,395,000
2044	5,670,000
2045	5,955,000
2046*	6,250,000

* Maturity

Mandatory Redemption - Series 2016C Bonds. The Series 2016C Bonds maturing on October 1, 2039 bearing interest at a rate of 3.594% per annum are subject to mandatory redemption in part, prior to maturity, by operation of the Debt Service Account to satisfy Sinking Fund Installments at redemption prices equal to 100 percent of the principal amount thereof, plus accrued interest to the date of redemption, on October 1 in the following years and in the following principal amounts.

**Series 2016C Term Bonds
maturing on October 1, 2039**

Year	Principal Amount
2034	\$1,195,000
2035	3,945,000
2036	860,000
2037	4,770,000
2038	4,940,000
2039*	5,120,000

* Maturity

Notice of Redemption. Each notice of redemption shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall specify the respective portions of the principal amount, thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only together with interest accrued to the

redemption date with respect to Bonds, and that from and after such date interest thereon shall cease to accrue and be payable.

Notice of redemption shall be given by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty and not more than sixty days before the redemption date to all registered owners of the Bonds or portions of the Bonds to be redeemed at their last addresses as they appear on the registration books maintained in accordance with the provisions hereof, which as long as the Series 2016 Bonds are maintained in book-entry only form, will be through DTC. See "BOOK-ENTRY ONLY SYSTEM" herein. Failure to mail any such notice to a registered owner of a Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no such failure or defect occurred. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice.

An optional redemption may be a Conditional Redemption and the notice of redemption may state that the redemption is conditional upon the conditions set forth therein, and such notice and optional redemption shall be of no effect (i) if by no later than the scheduled redemption date, the conditions set forth therein have not been satisfied, or (ii) the Authority or the Trustee, at the written direction of the Authority, rescinds such notice on or prior to the scheduled redemption date. Such redemption may be conditional upon receipt by the Trustee or escrow agent named by the Authority of sufficient moneys to redeem the Series 2016 Bonds and satisfaction of such other conditions set forth in the notice of redemption. A Conditional Redemption shall be deemed canceled once the Authority or the Trustee, at the written direction of the Authority, has given notice of rescission. The Authority or the Trustee, at the written direction of the Authority, shall give notice of rescission of a Conditional Redemption by the same means as is provided for the giving of notice of redemption. Any Series 2016 Bonds subject to a Conditional Redemption which has been canceled shall remain Outstanding, and neither the rescission nor the failure of funds being made available in part or in whole on or before the proposed redemption date shall constitute an Event of Default.

Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portion of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that so long as Cede & Co., as DTC's nominee, is the registered owner of the Series 2016 Bonds, DTC will select the Series 2016 Bonds to be redeemed. The portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or any integral multiple thereof, and that in selecting portions of such Bonds for redemption, the Trustee or DTC shall treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount.

Upon any purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established in advance of their scheduled maturity or mandatory redemption date, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

Purchase in Lieu of Redemption

At any time the Series 2016 Bonds are subject to optional redemption, all or a portion of the Series 2016 Bonds to be redeemed pursuant to an optional redemption may be purchased in lieu of being redeemed by the Trustee at the direction of the Authority on the date on which such Series 2016 Bonds would otherwise have been redeemed. The purchase price for Series 2016 Bonds purchased in lieu of redemption will be equal to the Redemption Price that would have been applicable to the Series 2016 Bonds on such date. No notice to the owners of the Series 2016 Bonds to be purchased (other than the notice of redemption otherwise required by the Bond Resolution) is required. All Series 2016 Bonds to be so purchased in lieu of redemption that are not delivered to the Trustee on the purchase date shall be deemed to have been so purchased and not redeemed on the purchase date and shall cease to accrue interest as to the former Registered Owner on the purchase date.

Registration and Exchange

The registration of any Series 2016 Bond may be transferred upon the registration books as provided in the Bond Resolution. So long as the Series 2016 Bonds are issued solely in fully registered form and notwithstanding anything contained in the Bond Resolution to the contrary, the provisions of the Bond Resolution with respect to the interchangeability of registered bonds for coupon bonds will not be applicable to the Series 2016 Bonds. In all cases of a transfer of a Series 2016 Bond, the Bond Registrar shall at the earliest practical time in accordance with the terms hereof enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Series 2016 Bond or Series 2016 Bonds of the same Series, maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same source of funds. The Authority, the City and the Bond Registrar may charge the registered owner for the registration of every transfer or exchange of a Series 2016 Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the City or the Authority) to be paid with respect to or in connection with any such transfer or exchange,

and may require that such amounts be paid before any such new Series 2016 Bond shall be delivered.

The City, the Authority, the Bond Registrar, and the Paying Agent may deem and treat the registered owner of any Series 2016 Bond as the absolute owner of such Series 2016 Bond for the purpose of receiving payment of the principal thereof and the interest thereon. Subject to the provision of the Series 2016 Resolution, a Series 2016 Bond may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of Series 2016 Bonds, of other authorized denominations of the same Series, maturity and interest rate.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning The Depository Trust Company, New York, New York ("DTC"), and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2016 Bonds. The Series 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2016 Bond certificate will be issued for each maturity of each Series of the Series 2016 Bonds and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S.

securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). The DTC rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2016 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2016 Bond (each a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant (collectively, "Participants") through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2016 Bonds, except in the event that use of the book-entry system for the Series 2016 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2016 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2016 Bond documents. For example, Beneficial Owners of Series 2016 Bonds may wish to ascertain that the nominee holding the Series 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2016 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2016 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent on a payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Series 2016 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2016 Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2016 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC upon compliance with any applicable DTC rules and procedures. In that event, Series 2016 Bond certificates will be printed and delivered to DTC.

The Authority, the City, and the Paying Agent and Registrar do not have any responsibility or obligation to the Direct Participants, Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (b) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the Series 2016 Bonds; (c) the delivery or timeliness of

delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner, which is required or permitted under the terms of the Bond Resolution to be given to Bondholders; or (d) any consent given or other action taken by DTC, or its nominee, Cede & Co., as Bondholders.

SECURITY FOR THE SERIES 2016 BONDS

Brief descriptions of the source of payment of the Series 2016 Bonds, the flow of funds, the application of Revenues, the Authority's rate covenant, and certain other provisions of the Bond Resolution are provided herein. The descriptions provided herein are qualified in their entirety by the applicable provisions of the Airport Facilities Revenue Bond Resolution, a copy of which is attached hereto as APPENDIX B.

On September 16, 2015, the Board approved the Consent Amendments, a summary of which is provided under the caption "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein. See also "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto for a copy of the Proposed Amended and Restated Bond Resolution blacklined to reflect all of the Consent Amendments.

General

The New Money Bonds and the 2016 Refunding Bonds are being issued as Additional Bonds and Refunding Bonds, respectively, under the Bond Resolution. As such, the Series 2016 Bonds are "Bonds" as such term is used in the Bond Resolution and are on parity with the Outstanding Airport Facilities Revenue Bonds as to the pledge of, lien on and source of payment from Revenues. In accordance with and subject to the terms and conditions of the Bond Resolution, Additional Bonds and Refunding Bonds may be issued under the Bond Resolution on parity with the Outstanding Airport Facilities Revenue Bonds and the Series 2016 Bonds. See "SECURITY FOR THE SERIES 2016 BONDS - Outstanding Airport Facilities Revenue Bonds" and "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein.

Pursuant to the Bond Resolution, the Bonds, including the Series 2016 Bonds, and the interest and premium, if any, thereon are payable solely from and secured by a pledge of, and first lien on: (a) all Revenues; (b) the proceeds of the sale of such Bonds; and (c) all Funds established by the Bond Resolution (excluding any fund established to pay rebatable arbitrage), including the investments, if any, thereof, provided, however, that each of the separate subaccounts in the Debt Service Reserve Account shall secure only those series of Bonds designated by Supplemental Resolution to be secured by such separate subaccount and provided further that any Supplemental Revenues deposited in the Debt Service Account shall only be available and used to pay the principal of and

interest on the Bonds of the Series to which such Supplemental Revenues are pledged. See "SECURITY FOR THE SERIES 2016 BONDS - Debt Service Reserve Account" herein.

For a description of the Consent Amendments which include, among other things, changes relating to the pledge effected by the Airport Facilities Revenue Bond Resolution, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Revenues

Under the Bond Resolution, the term "Revenues" includes (a) all income and revenues from all sources collected or received by the Authority in the operation of the Airport System, including without limitation except as expressly provided in the Bond Resolution, all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof; (b) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System's benefit which are: (i) not restricted in application to a special purpose, and (ii) otherwise lawfully available for the payment of charges with respect to the Bonds; (c) income received on any investment of moneys held pursuant to the Bond Resolution and paid into the Revenue Fund pursuant to the terms of the Bond Resolution; and (d) Available PFC Revenues for the applicable period. Revenues shall: (a) include the revenue or income from Special Purpose Facilities but only to the extent such revenue or income is not pledged to the payment of obligations of the Authority issued to finance such Facilities; (b) include PFC Revenues only to the extent they constitute Available PFC Revenues for the applicable period; and (c) exclude any revenue or income from Orlando Executive Airport or any additions, extensions or improvements thereto unless Orlando Executive Airport is added to the Airport System as provided in the definition of Airport System. See "SECURITY FOR THE SERIES 2016 BONDS - Application of Revenues" and "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein.

For a description of the Consent Amendments which include, among other things, changes relating to the definition of "Revenues," see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Debt Service Reserve Account

The Airport Facilities Revenue Bond Resolution established a Debt Service Reserve Account within the Bond Fund, consisting of a Composite Reserve Subaccount and such additional reserve subaccounts as may be established with respect to particular Series of Bonds. The Series 2016 Bonds will be secured by the Composite Reserve Subaccount. An amount equal to the Composite Reserve Requirement is required to be maintained in the Composite Reserve Subaccount. The Composite Reserve Subaccount secures those Bonds designated to be secured by the Composite Reserve Subaccount and additional reserve subaccounts established with respect to particular Series of Bonds secure only those Series of Bonds designated to be secured by each such subaccount.

As of the date hereof, the Composite Reserve Subaccount secures all of the Outstanding Airport Facilities Revenue Bonds and no Series of Bonds is secured by its own separate subaccount. Upon issuance of the Series 2016 Bonds, the Composite Reserve Requirement will be \$67,751,074.02 and will be fully funded upon issuance of the Series 2016 Bonds by a deposit of a portion of the proceeds of the Series 2016 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein. The Composite Reserve Subaccount is funded entirely with cash and investment securities, and does not currently contain any Reserve Products.

If, on the final business day of any month, the amount in the Debt Service Account shall be less than the amount required to be in such Account pursuant to the Bond Resolution, the Trustee shall apply amounts from the applicable subaccounts in the Debt Service Reserve Account to the extent necessary to make good the deficiency; provided, however, that amounts in the separate subaccounts in the Debt Service Reserve Account shall be used only for the purpose of curing deficiencies with respect to the Series of Bonds secured by such subaccount. Any proceeds received from a Reserve Product shall be applied to cure deficiencies in the Debt Service Account only with respect to the Series of Bonds for which such Reserve Product was provided.

Whenever the moneys on deposit in a subaccount in the Debt Service Reserve Account shall exceed the applicable Debt Service Reserve Requirement, the Trustee, at the direction of an Authorized Officer of the Authority, shall allocate and apply the amount of such excess in the same manner as Revenues pursuant to the Bond Resolution.

Whenever the amounts in the applicable subaccounts in the Debt Service Reserve Account, together with the amount in the Debt Service Account, are sufficient to pay fully all Outstanding Airport Facilities Revenue Bonds in accordance with their terms (including the principal of or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent deemed necessary in order to provide

for the timely payment of principal of and interest (or Redemption Price) on the Bonds Outstanding secured by the applicable subaccount in the Debt Service Reserve Account.

Notwithstanding the foregoing, if one or more subaccounts in the Debt Service Reserve Account have been funded with cash or Investment Securities and no event of default shall have occurred and be continuing under the Bond Resolution, the Authority may, at any time in its discretion, substitute a Reserve Product meeting the requirements of the Bond Resolution for the cash and Investment Securities in any such subaccount, and the Authority may then withdraw such cash and Investment Securities from such account and deposit them to the credit of the Revenue Fund so long as (a) the same does not adversely affect any rating by a Rating Agency then in effect for the applicable Series of Outstanding Airport Facilities Revenue Bonds, and (b) the Authority obtains an opinion of Bond Counsel that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the applicable Series of Bonds (if other than Taxable Bonds) for federal income tax purposes.

Cash on deposit in the applicable subaccount in the Debt Service Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product. If and to the extent that more than one Reserve Product is deposited in the applicable subaccount in the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

For a description of the Consent Amendments which include, among other things, changes relating to the foregoing description of the Debt Service Reserve Account, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Flow of Funds

The Airport Facilities Revenue Bond Resolution requires that all Revenues shall be promptly deposited by the Authority into the Revenue Fund. As soon as practicable in each month, after deposit therein, and in any event no later than five business days before the end of such month, Revenues in the Revenue Fund shall be deposited in the following Funds or transferred to the entities described below in the following order of priority:

(a) to the Operation and Maintenance Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for Operation and Maintenance Expenses for the then-current Fiscal Year as set forth in the current Annual Budget;

(b) to the Bond Fund for credit to the Debt Service Account, if and to the extent required so that the balance in said Account shall equal the Accrued Aggregate Debt Service; provided that, for the purposes of computing the amount in said Account, there shall be excluded the amount, if any, set aside in said Account which was deposited therein from the proceeds of each Series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of such Series (or any Refunding Bonds issued to refund such Bonds), other than with respect to Capital Appreciation Bonds, to the last day of the then current calendar month;

(c) except as otherwise provided below, to the Bond Fund for credit of the applicable subaccounts in the Debt Service Reserve Account, an amount, if and to the extent necessary, so that the balance in each subaccount shall equal the Debt Service Reserve Requirement with respect thereto;

(d) to the trustee, paying agent or holders of any Subordinated Indebtedness, such amount and at such times as shall be sufficient, taking into account any Subordinated Pledged Revenues, to pay the principal of and interest becoming due in the next succeeding month on any Subordinated Indebtedness, including any obligations to set aside or deposit moneys for future debt service payments, in the manner set forth in the Issuing Instrument(s) for the Subordinated Indebtedness;

(e) to the deposit to any debt service reserve account established by an Issuing Instrument for Subordinated Indebtedness such amount and at such times as shall be required by the terms of the Issuing Instrument;

(f) to the Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount which is equal to the difference between the sum on deposit in said Account at the beginning of the then current Fiscal Year and one-sixth of the Operation and Maintenance Expenses for the then Fiscal Year as set forth in the current Annual Budget;

(g) to the Capital Expenditures Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency;

(h) to the Renewal and Replacement Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, no deposit shall be required to be made into said Fund whenever and as long as uncommitted moneys in said Fund are equal to \$2,000,000 or such other greater

amount as provided therefor by the Authority as necessary for the purposes of said Fund; and provided further that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency; and; and

(i) to the Discretionary Fund, any amount remaining after making the deposits required by clauses (a) through (h) above.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to make up any deficiencies or losses that may otherwise arise in such Funds and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Debt Service Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding under the Bond Resolution secured by a subaccount in the Debt Service Reserve Account.

Notwithstanding anything in the Bond Resolution to the contrary, the Authority shall not be required to fully fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds under the Bond Resolution, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product Provider in an amount equal to the difference between the applicable Debt Service Reserve Requirement and the sums then on deposit in the applicable subaccount in the Debt Service Reserve Account. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held under the Bond Resolution for a payment with respect to the applicable Series of Bonds, which cannot be cured by funds in any other account held pursuant to the Bond Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof.

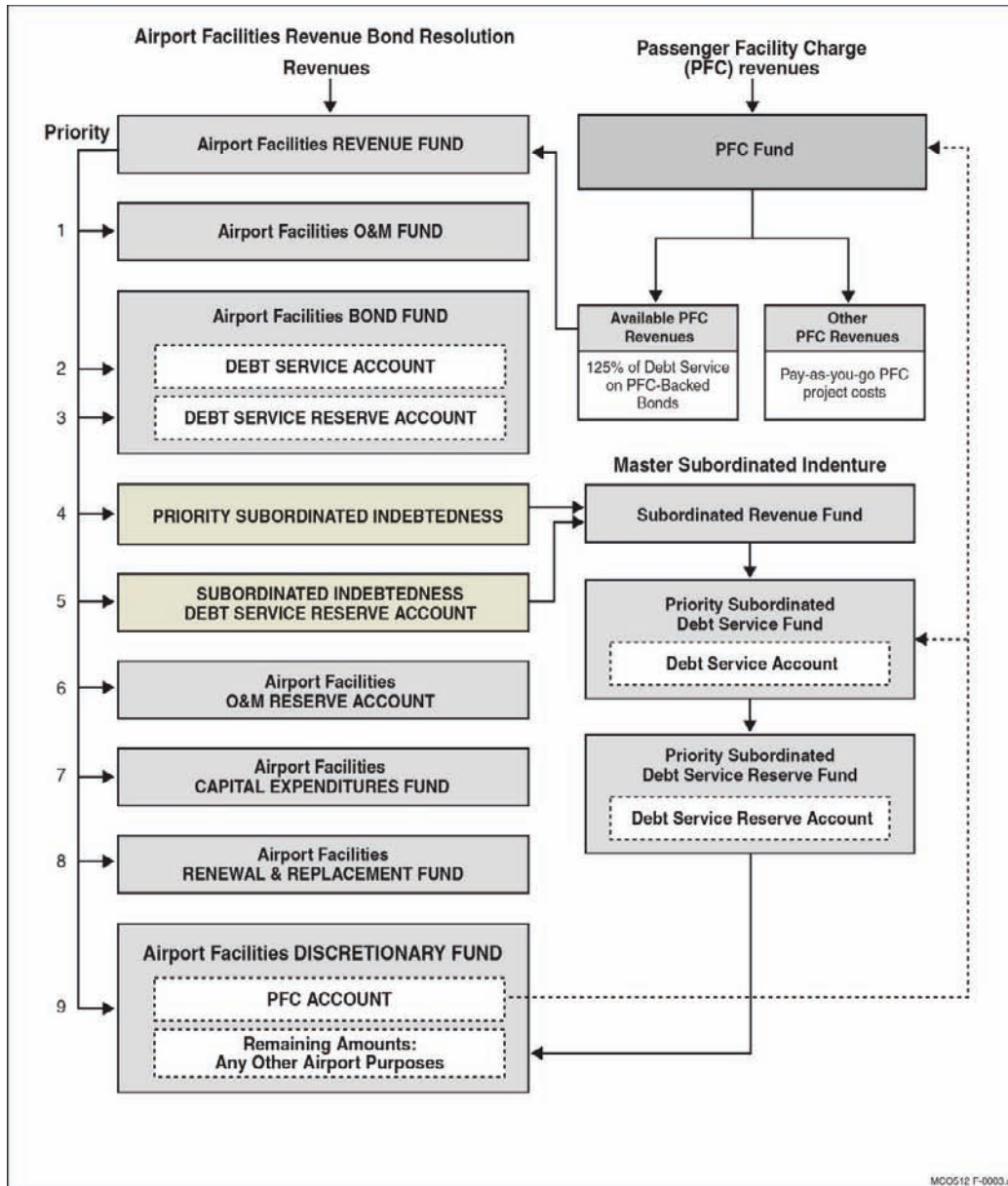
For a description of the Consent Amendments which include, among other things, changes relating to the foregoing description of the flow of funds, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Application of Revenues

The following diagram presents a summary of the application of Revenues to various funds and accounts as governed by the provisions of the Airport Facilities Revenue Bond Resolution and the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the "Master Subordinated Indenture"), as supplemented by that certain First Supplemental Subordinated Indenture of Trust dated as of July 1, 2016. A copy of the Official Statement related to the Series 2016 Subordinated Bonds, dated as of June 24, 2016, which includes a form of the Master Subordinated Indenture, is currently available at the following web link: <http://emma.msrb.org/ES794503-ES624594-ES1020158.pdf>. A more complete description of the application of Revenues is included in "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto and the Amended and Restated Master Subordinated Indenture. See "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein for a description of the types of income and revenues of the Authority included in the definition of Revenues.

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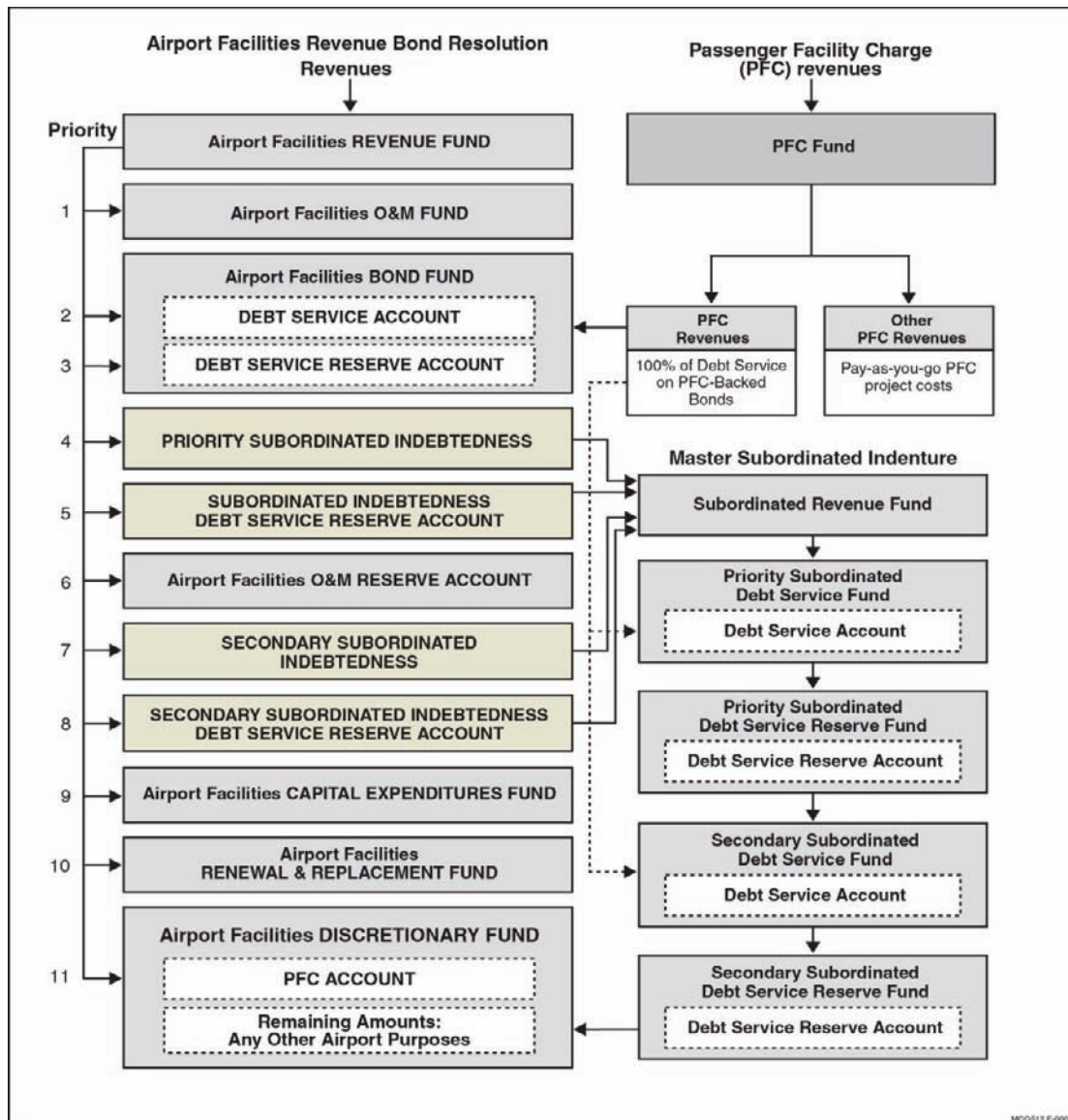
Application of Revenues Prior To the Consent Effective Date



Source: The Airport Facilities Revenue Bond Resolution (approved June 24, 2015) and the Master Subordinated Indenture.

The following diagram presents a summary of the application of Revenues to various funds and accounts as will be governed by the provisions of the Proposed Amended and Restated Bond Resolution and the Master Subordinated Indenture upon the Consent Effective Date and as more particularly described in "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto and in the Master Subordinated Indenture.

Application of Revenues upon the Consent Effective Date



Source: The Proposed Amended and Restated Bond Resolution (approved September 16, 2015) and the Master Subordinated Indenture.

Additional Bonds

The Airport Facilities Revenue Bond Resolution provides that Additional Bonds may be issued for the purpose of paying the Cost of Construction of any Additional Project, subject to the conditions set forth therein. Particularly, the Airport Facilities Revenue Bond Resolution conditions the issuance of Additional Bonds upon the satisfaction of the additional bonds limitation contained therein, which generally requires certifications by the Airport and the Airport Consultant that, for any consecutive 12 month period of the 30 calendar months immediately preceding the issuance of such proposed Additional Bonds, Net Revenues, plus applicable Supplemental Revenues, if any, for such 12 month period, equal at least 1.25 times the Aggregate Debt Service of the Outstanding Airport Facilities Revenue Bonds, and for each of the three Fiscal Years following the Fiscal Year in which an Additional Project is estimated to be completed, the Net Revenues, plus Supplemental Revenues, if any, are estimated to at least equal 1.25 times the Aggregate Debt Service of the Outstanding Airport Facilities Revenue Bonds for the corresponding Fiscal Years. See "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto. In addition, the Airport Facilities Revenue Bond Resolution permits the issuance of Refunding Bonds upon the conditions described therein.

For a description of the Consent Amendments which include, among other things, changes relating to the additional bonds test, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Rate Covenant

The Authority has covenanted in the Bond Resolution that it will at all times while any Bonds are Outstanding establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that in each Fiscal Year the Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund established under the Bond Resolution, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service of the Outstanding Airport Facilities Revenue Bonds on each series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the Aggregate Debt Service for such Fiscal Year, and in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues under the Airport Facilities Revenue Bond Resolution. See "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto.

The Authority shall remain obligated under the Bond Resolution to establish, fix, prescribe and collect rates, fees, rentals and other charges as provided above until such time as there are no longer any Outstanding Airport Facilities Revenue Bonds. See "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" and "REPORT OF THE AIRPORT CONSULTANT AND RATE COVENANT FORECAST" herein.

For a description of the Consent Amendments which include, among other things, changes relating to the rate covenant, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

Limited Obligations

THE SERIES 2016 BONDS SHALL NOT BE OR CONSTITUTE A GENERAL INDEBTEDNESS OF THE CITY, THE AUTHORITY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION IN THE STATE, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. THE SERIES 2016 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE NOR BE A LIEN UPON ANY PROPERTY OF THE CITY OR THE AUTHORITY, EXCEPT THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NEITHER THE GENERAL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE SERIES 2016 BONDS AND NO REGISTERED OWNER OF A SERIES 2016 BOND SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF ANY SERIES 2016 BOND, AND THE CITY AND THE AUTHORITY ARE NOT AND SHALL NEVER BE UNDER ANY OBLIGATION TO PAY THE PRINCIPAL OF, INTEREST ON OR ANY PREMIUM WITH RESPECT TO THE SERIES 2016 BONDS EXCEPT FROM THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. THE AUTHORITY HAS NO TAXING POWER.

Outstanding Airport Facilities Revenue Bonds

The following table presents the Authority's Outstanding Airport Facilities Revenue Bonds and the outstanding principal amounts as of October 2, 2016.

Outstanding Airport Facilities Revenue Bonds	Outstanding Principal Amount
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 1998	\$ 515,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2007A	88,075,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2008A	57,230,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2009A	80,570,000
Airport Facilities Revenue Bonds (AMT), Series 2009C	76,190,000 ⁽¹⁾
Airport Facilities Revenue Bonds (AMT), Series 2010A	75,450,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2010B	19,490,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2011A	5,095,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2011B	70,040,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2011C	34,990,000
Airport Facilities Refunding Revenue Bonds (Taxable), Series 2011D	64,100,000
Airport Facilities Refunding Revenue Bonds (AMT), Series 2012A	37,065,000
Airport Facilities Revenue Bonds (AMT), Series 2013A	41,515,000
Airport Facilities Refunding Revenue Bonds (Non-AMT), Series 2013B	10,270,000
Airport Facilities Revenue Bonds (AMT), Series 2015A	212,200,000
Total:	<u>\$872,795,000</u>

⁽¹⁾ A portion of which will be refunded with proceeds of the Series 2016C Bonds.

Outstanding Subordinated Indebtedness

The Authority has the following Subordinated Indebtedness outstanding: (a) the Greater Orlando Aviation Authority Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016 (AMT) (the "Series 2016 Subordinated Bonds"), (b) the Existing Lines of Credit described below and (c) the indebtedness owed to the Florida Department of Transportation (the "FDOT Indebtedness").

The Series 2016 Subordinated Bonds. The Series 2016 Subordinated Bonds were issued by the Authority on July 12, 2016 in the aggregate principal amount of \$76,930,000 in order to refinance certain outstanding indebtedness, and as of October 2, 2016 will be outstanding in the principal amount of \$62,765,000. The Series 2016 Subordinated Bonds are the first series of Priority Subordinated Indebtedness (as such term is defined in the Master Subordinated Indenture) issued under and pursuant to the Master Subordinated Indenture.

The Series 2016 Subordinated Bonds: (a) constitute "Subordinated Indebtedness" as defined in and authorized under the Airport Facilities Revenue Bond Resolution, (b) are subordinate to the Bonds as to the pledge of, lien on and source of payment from Revenues, and (c) are on parity with certain other Subordinated Indebtedness as to the

pledge of, lien on and source of payment from Pledged Subordinated Revenues (as such term is defined in the Master Subordinated Indenture) described below.

The Pledged Subordinated Revenues include:

- the Available Net Revenues, which consist of all Revenues of the Authority remaining after all deposit requirements in clauses (1), (2) and (3) of Section 405.1 of the Airport Facilities Revenue Bond Resolution (providing for payment of the Authority's operation and maintenance expenses, debt service on the Bonds and funding the debt service reserve fund for the Bonds) have been satisfied;
- all moneys and investments on deposit in the funds and accounts created under the Master Subordinated Indenture (other than the Secondary Subordinated Debt Service Fund, the Secondary Subordinated Debt Service Reserve Fund and the Rebate Fund, as defined in the Master Subordinated Indenture) and, to the extent provided in the Master Subordinated Indenture and after provision for deficiencies in the accounts for the outstanding Bonds as provided in the Airport Facilities Revenue Bond Resolution, any remaining amounts in the Discretionary Fund available for the purpose of paying Subordinated Indebtedness as provided in Section 411 of the Airport Facilities Revenue Bond Resolution; provided, however, that moneys in an account of the Subordinated Debt Service Reserve Fund (as defined in the Master Subordinated Indenture) may secure only the Series of priority Subordinated Indebtedness designated by the issuing instrument to be secured by such account; and
- any other revenues or, on and after the Consent Effective Date, Available Revenues (which may consist of PFCs, CFCs or other revenues not subject to the pledge under the Airport Facilities Revenue Bond Resolution) pledged by the Authority to the payment of certain Subordinated Indebtedness.

The Series 2016 Subordinated Bonds are additionally secured by the Pooled Subordinated Reserve Account. The Series 2016 Subordinated Bonds mature on October 1, 2027.

Existing Lines of Credit. The Authority has entered into three revolving credit agreements which the Authority draws upon for interim financing of capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds, and other permanent funding sources. The Authority has a \$200 million subordinate line of credit with Bank of America, N.A. (the "Bank of America Line of Credit"), which expires April 1, 2017. The Authority has a \$250 million subordinate line of credit with Wells Fargo Bank, N.A. (the "Wells Fargo Line of Credit"), which expires

June 29, 2018. The Authority has a \$100 million line of credit with PNC Bank, N.A. (the "PNC Line of Credit") which expires on November 6, 2016. The PNC Line of Credit, the Bank of America Line of Credit and the Wells Fargo Line of Credit are collectively referred to herein as the "Existing Lines of Credit." The Authority expects to replace the PNC Line of Credit prior to its expiration. Upon the Consent Effective Date, the Existing Lines of Credit and any replacements thereto will automatically become Secondary Subordinated Indebtedness. The Authority intends to continue using lines of credit for interim financing of capital improvements for certain of the 2016 - 2023 Capital Improvement Program. See "CAPITAL IMPROVEMENT PROGRAM" herein.

FDOT Indebtedness. The FDOT Indebtedness is described in a Joint Participation Agreement, as amended ("JPA") between the Authority and the Florida Department of Transportation ("FDOT"), under which the FDOT will provide total funding of approximately \$211 million of funds, of which the Authority is required to reimburse FDOT for \$52.7 million of the funds advanced by FDOT under the JPA (the "FDOT Loan"), and the balance will be a grant. The Authority expects to use the proceeds of the FDOT Loan to pay for portions of the Intermodal Terminal Facility ("ITF") that are related to the construction of the passenger rail terminal being developed as part of the ITF adjacent to the APM system. In addition to the FDOT funds described above, the Authority has received an \$8.7 million capital contribution from Florida East Coast Industries, LLC ("FECI"), the parent company of All Aboard Florida - Operations, LLC ("AAF"), as described herein for portions of the ITF project related to the All Aboard Florida facilities and for which the Authority has no repayment obligation. See "CAPITAL IMPROVEMENT PROGRAM" herein. Under the JPA, the Authority is obligated to repay the FDOT Loan over a period of 18 years with no interest commencing January 1, 2020.

Under the Master Subordinated Indenture, the Authority may enter into and have outstanding at any time other parity indebtedness consisting of FDOT Indebtedness in a principal amount not to exceed \$55,000,000 and line of credit indebtedness (including the Existing Lines of Credit) in an aggregate principal amount not to exceed \$550,000,000.

The Authority's Subordinated Indebtedness is currently outstanding in the amounts shown below.

Outstanding Subordinated Indebtedness	Authorized Amount	Outstanding Principal Amount
Bank of America Line of Credit	\$200,000,000	\$19,000,000 ⁽¹⁾
Wells Fargo Line of Credit	250,000,000	88,000,000 ⁽¹⁾
PNC Line of Credit	100,000,000	53,000,000
FDOT Loan	52,700,000	0.00
Series 2016 Subordinated Bonds	76,930,000	62,765,000 ⁽²⁾
Total	\$679,630,000	\$222,765,000

⁽¹⁾ All or a portion of which will be repaid from proceeds of the New Money Bonds.

⁽²⁾ Outstanding principal amount on the Series 2016 Subordinated Bonds as of October 2, 2016.

The Authority may issue in the future certain additional Subordinated Indebtedness as either Priority Subordinated Indebtedness or, after the Consent Effective Date, Secondary Subordinated Indebtedness, which Subordinated Indebtedness shall be payable as provided in the Master Subordinated Indenture or the Issuing Instrument, after payment of such amounts as necessary to pay Bonds under the Bond Resolution. See "CAPITAL IMPROVEMENT PROGRAM" herein more information regarding the Authority's current plans for financing capital projects.

See "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITATES REVENUE BOND RESOLUTION" herein for a summary of the amendments to the Airport Facilities Revenue Bond Resolution relating to certain provisions regarding the issuance of, and security for, certain Subordinated Indebtedness.

Interest Rate Swap Agreements

Although the Authority does not currently have any outstanding interest rate swap agreements, forward purchase agreements or other synthetic financial instruments, the Authority may enter into such transactions in the future for the purpose of managing the interest cost of its debt. Interest rate swaps and other synthetic financial instruments involve risks that could result in an economic loss to the Authority. While the Authority could elect to have regularly scheduled interest rate swap payment obligations secured by a lien on Revenues on parity with Bonds issued under the Airport Facilities Revenue Bond Resolution or on parity with certain Subordinated Indebtedness, the Authority's obligations with respect to termination payments or other obligations under any such

interest rate swap agreement would be secured by a lien on funds on deposit in the Discretionary Fund.

CFC Indebtedness

Pursuant to a resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009 ("CFC Enabling Resolution"), the Authority authorized, and in October 2008 began collecting, a rental automobile customer facility charge or "CFC" to be derived from the operation of rental automobile activities, conducted at various rental automobile facilities assessed on each rental car transaction, currently equal to \$2.50 per day up to a maximum of five days. The Authority has pledged the CFC receipts to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile facilities at the Airport pursuant to a Trust Indenture, dated as of October 1, 2009, between The Bank of New York Mellon Trust Company, N.A., as trustee and the Authority (the "CFC Indenture"). As of October 2, 2016, the Authority will have a principal amount of \$9,030,000 of its Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009 (the "CFC Bonds") outstanding under the CFC Indenture. The CFC Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the CFCs and other funds pledged under the CFC Indenture. The CFC Bonds are scheduled to mature on October 1, 2017. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Airport Facilities Revenue Bond Resolution. Prior to the Consent Effective Date, once the CFC Bonds are retired and any other indebtedness or other amounts payable by the Authority under the CFC Indenture have been paid, CFCs will, at such time, be included in Revenues under the Airport Facilities Revenue Bond Resolution and be available to the Authority for any lawful purpose. After the Consent Effective Date and so long as the CFC Bonds or any other indebtedness or other amounts payable by the Authority under the CFC Indenture are still outstanding, CFCs shall continue to be so pledged to the repayment of such indebtedness or other amounts payable by the Authority under the CFC Indenture subsequent to such Consent Effective Date. However, subsequent to the Consent Effective Date, once the CFC Bonds are retired and any other indebtedness or other amounts payable by the Authority under the CFC Indenture have been paid, CFCs will, at such time and to the extent set forth in a Supplemental Resolution, an Issuing Instrument or a Subordinated Indebtedness instrument, be included within the definition of Available Revenues under the Airport Facilities Revenue Bond Resolution and be available to the Authority for any lawful purpose, including being utilized in accordance with the provisions of the Proposed Amended and Restated Bond Resolution which permit such Available CFC Revenues to be irrevocably committed or held by a fiduciary and set aside exclusively for the payment of principal and/or interest on specified Airport Facilities Revenue Bonds or Subordinated Indebtedness. See "SECURITY FOR THE SERIES 2016 BONDS - Outstanding Subordinated Indebtedness" herein and "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" and

"APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date.

SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION

On September 16, 2015, the Board approved the Proposed Amended and Restated Bond Resolution approving the Consent Amendments which is blacklined to show changes against the Airport Facilities Revenue Bond Resolution and a copy of which is attached as "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION." Each original purchaser of Series 2016 Bonds will be required to execute a written consent to the adoption of the Proposed Amended and Restated Bond Resolution and to the Consent Amendments, the form of which is attached hereto as APPENDIX H. Upon (a) receipt of the written consent thereto of the Holders of at least a majority of the principal amount of the Bonds then Outstanding, (b) receipt of consent or approval of any other entities which have been provided such right, including the City, and (c) compliance with the relevant provisions of Articles X and XI of the Airport Facilities Revenue Bond Resolution, the Proposed Amended and Restated Bond Resolution will be deemed adopted and the Consent Amendments contained therein shall become effective. The Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C has been blacklined against the Airport Facilities Revenue Bond Resolution to reflect all of the Consent Amendments, which include, among other things, substantive changes to certain definitions, the additional bonds test, the flow of funds, and the rate covenant, and the addition of a Released Revenues concept, along with numerous other changes to improve the Authority's flexibility and clarify the Authority's rights and obligations in a manner consistent with many modern bond resolutions, is included in "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

The Consent Amendments are described briefly below alphabetically by subject area, but are subject in all respects to the actual text of the amendments shown by the blacklined changes contained in "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto. Section references are to the specific section of the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C where the particular amendment may be found and all defined terms in the summary below shall have the definitions provided in the Proposed Amended and Restated Bond Resolution.

Accounts and
Reports - Section 717

- Section 717 will be revised to add the new concept of "Available Revenues" to the reporting requirements and increase the time period for the Authority to provide an audit report and accompanying Authorized Officer certification from 120 days to 180 days after the close of each Fiscal Year.

Additional
Bonds - Section 204

- The current requirements to issue Bonds for Additional Projects will be streamlined and simplified.
- The revised additional bonds test will eliminate the need to satisfy both a historic and a prospective coverage test and, instead, will allow the Authority to satisfy either a historical coverage test (as certified by an Authorized Officer of the Authority or an Airport Consultant) or a prospective coverage test (as certified by an Airport Consultant) for the next three Fiscal Years.
- Under both the new historical and prospective test, the requirement will be that Net Revenues and Subordinated Pledged Revenues are sufficient to satisfy the rate covenant requirements (see "Rate Covenant" below and Section 711 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C).
- Additionally, the revised additional bonds test allows the Authority or the Airport Consultant, as applicable to (i) make certain adjustments to Net Revenues for increases in rates, fees and revenues from new facilities and capital improvements, and (ii) use unaudited financial statements if audited financial statements are not available provided that an Authorized Officer of the Authority certifies as to the accuracy of such unaudited statements and that they were prepared substantially in accordance with generally accepted accounting principles.
- Neither a historical nor a prospective test is required for Additional Bonds the proceeds of which are used to complete the construction of an Additional Project if the amount of Additional Bonds is less than 10% of the principal amount of the Bonds originally issued for such Additional Project.

Application of
Supplemental
Revenues - Section 415

- Section 415 will be deleted and replaced with the more modern concepts of "Available Revenues" and "Released Revenues." See "Available Revenues" and "Released Revenues" below and Sections 727 and 416 in the Proposed

Amended and Restated Bond Resolution attached hereto as
APPENDIX C.

Available
Revenues - Section 727

- A definition for "Available Revenues" will be added so that certain items not currently considered "Revenues" may be designated by the Authority by Supplemental Resolution in the future and used to pay principal and interest on Bonds, with the Debt Service paid from such Available Revenues being disregarded.
- Available Revenues may consist of Available CFC Revenues, Available PFC Revenues and any other future income or revenue source not then included in the definition of "Revenues" and which the Authority designates as "Available Revenues" in a future Supplemental Resolution.
- Section 727 will be added to describe how the Authority may designate Available Revenues and also to provide other provisions for the receipt, deposit and application thereof into the Available CFC Account, Available PFC Account and other functionally similar accounts to be established by Supplemental Resolution.

Debt Service - Section 101

- The definition of "Debt Service" will be revised to add rules for purposes of determining the amount of Debt Service in any Fiscal Year in connection with (i) certain amounts irrevocably deposited with and held by the Trustee or another fiduciary exclusively to pay principal of and/or interest on Bonds, (ii) the treatment of Available Revenues irrevocably committed or other amounts actually deposited with the Trustee for the purpose of paying Debt Service on Bonds, and (iii) the payment or expected payment of Debt Service on Bonds from cash subsidies or other similar payments made or expected to be made by the U.S. Treasury or other federal or state government entity to or on behalf of the Authority.

Definitions - Section 101

- The following definitions in the Airport Facilities Revenue Bond Resolution will be substantively revised in part or in whole:
 - Airport System
 - Available PFC Revenues
 - Bond Registrar (deleted)
 - Debt Service
 - Debt Service Reserve Requirement
 - Exempt Costs (deleted)

- Investment Securities
 - Issuing Instrument
 - Operation and Maintenance Expense
 - Original Proceeds (deleted)
 - Paying Agent
 - Revenues
 - Special Purpose Facilities
 - Subordinated Pledged Revenues
 - Supplemental Revenues (deleted)
- The following new definitions will be added to the Airport Facilities Revenue Bond Resolution:
 - Available CFC Account
 - Available CFC Revenues
 - Available PFC Account
 - Available Revenues
 - Capitalized Interest
 - Credit Provider
 - Customer Facility Charges or CFCs
 - Insurance Consultant
 - Pledged Funds
 - Qualified Self Insurance
 - Released Revenues
 - Secondary Subordinated Indebtedness
 - Special Purpose Facility Debt
 - Special Purpose Facility Revenues
 - Transfer
- The definition of "Debt Service Reserve Requirement" will be revised to remove a requirement that the amount established for any Composite Reserve Subaccount or series Debt Service Reserve Account will not cause any existing rating on any Bonds to be lowered, suspended or withdrawn.

Debt Service
Requirement - Section 101

Deposit of
Revenues - Section 405

- A definition of Secondary Subordinated Indebtedness will be added so that a new "third" tier lien is created which is lower in priority of payment than senior Bonds and Subordinated Indebtedness but higher in priority of payment than deposits to the Capital Expenditures Fund, the Renewal and Replacement Fund and the Discretionary Fund.
- The payment of principal of and interest on Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (7) (after funding of the Operation and Maintenance Reserve Account within the Operation and Maintenance Fund).
- The deposit to any debt service reserve account established for Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (8).

Discretionary
Fund - Section 411

- Section 411 will be revised to add a requirement that to the extent amounts from the Revenue Fund deposited monthly to pay the principal and interest on Subordinated Indebtedness or Secondary Subordinated Indebtedness, or required deposits to any debt service reserve accounts established for such debt are insufficient for such purpose, the Authority shall transfer the amount of such insufficiency from the Discretionary Fund.
- Section 411 will also be expanded to allow the Authority to purchase or redeem Secondary Subordinated Indebtedness and any expenses related thereto, from amounts on deposit in the Discretionary Fund.

Federal Income Taxation
Covenants; Taxable
Bonds - Section 728

- New definitions of "Tax-Exempt Bonds" and "Taxable Bonds" will be added to distinguish between the potential federal income tax treatment of interest on such Bonds.
- A new Section 728 will be added to establish various covenants of the Authority with respect to post issuance compliance relating to Tax-Exempt Bonds and clarify that Taxable Bonds may be issued by the Authority and are not subject to these covenants.

Indebtedness and
Liens - Section 708

- New definitions for "Pledged Funds" and "Secondary Subordinated Indebtedness" will be added. See "Pledged Funds" and "Subordinated and Secondary Subordinated Indebtedness" below and Sections 401 and 414 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C.
- Section 708 will be revised to reflect the use of the new term "Pledged Funds" and authorize the Authority to issue Secondary Subordinated Indebtedness in accordance with Section 414 of the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C.

Investment
Securities - Section 101

- The definition of "Investment Securities" will be revised to allow the purchase of commercial paper which at the time of purchase is rated at least "Prime-1" by Moody's and "A-1" or better by S&P (prime commercial paper) or equivalent ratings by two Rating Agencies.

Insurance - Section 712

- A new definition of "Qualified Self Insurance" will be added which requires the Authority to have a material interest or control over the entity or fund providing a program of self-insurance.
- A new definition of "Insurance Consultant" will be added to require that it be a person or firm of favorable repute for skill and experience in dealing with the insurance requirements of enterprises similar to the Airport System.
- Section 712 will be expanded to allow the Authority to self-insure with "Qualified Self Insurance" provided, among other requirements, that: a claims reserve fund out of which each self-insured claim shall be paid is evaluated on an annual basis by an Insurance Consultant; any deficiencies in the fund are remedied in accordance with the recommendations of the Insurance Consultant; the claims reserve fund is held in a bank account credited for the purpose of maintaining such self-insurance funds; and in the event the Qualified Self Insurance program is discontinued, the actuarial soundness of its claims reserve fund shall be maintained.

Notice of
Redemption - Section 505

- Section 505 will be revised to clarify that a published notice of redemption in a newspaper is no longer required.

Operation and Maintenance
Expense - Section 101

- The definition of "Operation and Maintenance Expense" will be revised to clarify that expenses will not include expenses

funded by Special Purpose Facility Debt or sources other than Revenues.

Operations and
Maintenance - Section 710

- Section 710 will be revised to remove the requirement that the Trustee consent to the Authority's decision not to operate, maintain or reconstruct any portion of the Airport System if it is economically justified and not otherwise prejudicial to holders of the Bonds.

Paying Agent - Section 101

- The definition of "Paying Agent" will be expanded to allow the Authority to act as Paying Agent for a Series of Bonds.

Pledged Funds - Section
401

- A new definition of "Pledged Revenues" will be added and will include the term "Available Revenues" so that the Authority may designate certain funds to secure only the Series of Bonds to which they are pledged by Supplemental Resolution (see "Available Revenues" above and Section 401 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C).

Proceedings Brought by
the Trustee - Section 804

- Section 804 will be revised to clarify that when the Trustee incurs costs or renders services after a default, such costs and compensation shall constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Rate Covenant - Section
711

- A new definition of "Transfers" will be added to allow the Authority to consider amounts on deposit in the Discretionary Fund in the current 125% coverage requirement calculation, which amounts are limited to no more than 25% of the Debt Service payable in a particular Fiscal Year.
- Section 711 will be revised to add "Transfers" and "Subordinated Pledged Revenues" to Net Revenues in computing the debt service coverage requirement.
- Section 711 will be further revised to add an additional coverage requirement of 100% of the amounts required to be deposited pursuant to Section 405(2)-(10) of the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C, which essentially covers all debt and debt reserve payments for all liens, plus deposits to the Operation and Maintenance Fund, Repair and Replacement Fund and Capital Expenditure Fund.

Released
Revenues - Section 416

- A definition for "Released Revenues" will be added so that certain categories of income, receipts and other revenues of the Airport System may be designated as such by Supplemental Resolution and excluded from the definition of "Revenues" (and therefore from the definition of "Pledged Revenues").
- A new Section 416 will be added which allows the removal of certain revenues from the pledge of the Proposed Amended and Restated Bond Resolution, provided that the following requirements are met: (i) a request from an Authorized Officer of the Authority is filed with the Trustee describing the category of income or receipts to be excluded and certifying that the Authority is not currently in default under Section (801)(i) of the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C, and (ii) a certificate from an Authorized Officer of the Authority is filed with the Trustee to the effect that Net Revenues and any Subordinated Pledged Revenues, excluding the proposed Released Revenues, for two immediately prior Fiscal Years, were sufficient to satisfy the rate covenant set forth in Section 711 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C, assuming that 1.10 (instead of 1.00) was used in Section 711.1 and 1.50 (instead of 1.25) was used in Section 711.2 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C.

Resignation of
Trustee - Section 907

- Section 907 will be revised to remove the required newspaper publication of notice when the Trustee resigns and replace it with a requirement that such notice of resignation be posted with the Municipal Securities Rulemaking Board via its Electronic Municipal Marketplace Access system or any successor thereto.

Sale, Lease and
Encumbrance - Section 709

- Section 709 will be revised to permit the Authority to make a lease, enter into a contract or grant easements and licenses for any part of the Airport System to the extent it is advantageous to the Airport System and to permit the Authority to use proceeds of a sale or disposition for such other purposes as may be required by law or contract.

Special Purpose
Facilities - Section 722

- New definitions of "Special Purpose Facilities," "Special Purpose Facility Debt" and "Special Purpose Facility Revenues" will be added to allow the authority to pledge specific revenues for projects with owners or operators of certain special facilities and designate by Supplemental

Resolution whether or not such facilities constitute part of the Airport System and whether or not the revenues from such project will be included in "Revenues."

- Subordinated and
Secondary Subordinated
Indebtedness - Section 414

- Section 722 will be revised to allow the Authority to issue Special Purpose Facility Debt provided that prior to its issuance the Authority provides the Trustee with a certificate certifying to various requirements in accordance with the Proposed Amended and Restated Bond Resolution (See Section 722 in the Proposed Amended and Restated Bond Resolution attached hereto as APPENDIX C).
- Supplemental Resolutions
and Amendments -
Articles X and XI

- Section 414 will be revised to allow the Authority to issue Secondary Subordinated Indebtedness in a manner similar to the procedure for issuing Subordinated Indebtedness by expressly designating it as such in the Issuing Instrument.
 - The process by which the Proposed Amended and Restated Bond Resolution may be amended with and without the consent of holders of the Bonds will be streamlined and simplified.
 - Former Articles X and XI will be consolidated into newly revised Article X and modified to, among other things: (i) create a new category of amendments which the Authority may make without Bondholder or Trustee consent that generally do not materially adversely affect the interests of the Bondholders; (ii) eliminate the need to publish notice of such amendments; (iii) eliminate the ability of subsequent holders of the Bonds to revoke prior consents; (iv) eliminate the need to obtain consents after the publication of notice; (v) allow for the "deemed execution" of written consents by holders of the Bonds, underwriters and other agents; and (vi) differentiate between outstanding Bonds which may or may not be insured for purposes of allowing a Credit Provider to provide consent in lieu of the holders of insured Bonds under certain conditions.

The Authority currently anticipates that the Consent Effective Date may occur as soon as Fiscal Year 2017. However, it is not possible to predict the actual timing of the Consent Effective Date, which could occur earlier than or subsequent to the anticipated timing. The Airport Consultant in its Report attached hereto as APPENDIX A has assumed the Consent Effective Date will occur in Fiscal Year 2018. The timing of the Consent Effective Date could affect certain of the assumptions used to forecast debt

service coverage as set forth in the Report of the Airport Consultant. See "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" attached hereto.

THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM

General

The Authority was established as an agency of the City pursuant to the Act. The Airport is owned by the City. Pursuant to the Transfer Agreement, the City transferred to the Authority custody, control and management of the Airport for a term that will expire on September 30, 2065, subject to early termination under certain conditions, unless extended by the City and the Authority. Under the Transfer Agreement, the Authority pays the City for specific services rendered by the City in accordance with schedules negotiated with the City. Upon the expiration of the term of the Transfer Agreement, the custody, control and management of the Airport will revert to the City and the City shall automatically assume all of the Authority's obligations under the Bond Resolution and all of the liabilities of the Authority with respect to the Airport, but all such obligations or liabilities, including debt service on any Bonds, which are outstanding on and after the expiration of the Transfer Agreement, shall continue to be payable solely from their respective identified sources. Any such obligations or liabilities of the Authority will not be a general obligation of the City and neither the faith and credit nor the taxing power of the City will be pledged for the payment of any such obligations or liabilities, including the payment of principal, interest or premium on any Bonds.

The Authority operates the facilities of the Airport System for the accommodation of air commerce and transportation. The Airport System presently consists of: (a) the Airport, which is owned by the City and operated by the Authority; and (b) any other aviation facility or airport that is acquired or constructed by the Authority, provided however, that the Airport System currently excludes the Orlando Executive Airport.

The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Bonds or the interest or premium, if any, thereon. Likewise, the Authority may not expend Revenues on the operation of the Orlando Executive Airport unless the "Airport System" is revised to include that airport. However, the Authority may include the Orlando Executive Airport within the definition of the Airport System by a future Supplemental Resolution to the Bond Resolution, and upon delivery to the Trustee of (a) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (b) the written consent of any bond insurers or

other credit provider having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding under the Bond Resolution. See "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto. Currently the Authority has no plans to include the Orlando Executive Airport within the Airport System.

The Airport is located in central Florida, nine miles southeast of downtown Orlando in Orange County, Florida. The Airport occupies approximately 13,430 acres of land. The service region for the Airport extends throughout central Florida, an attribute made possible by its location at the crossroads of Florida's road network and the availability of low airfares at the Airport. The primary metropolitan area within the Airport service region is the Orlando-Kissimmee-Sanford Metropolitan Statistical Area, which comprises Lake, Orange, Osceola and Seminole Counties (the "Orlando MSA"). With a population of 2,387,138 in 2015, the Orlando MSA accounted for approximately 12% of the population of the State according to the United States Census Bureau.

The Orlando region is one of the primary tourism destinations in the United States. The Orlando MSA drew a record 51.5 million visitors in 2010 and becoming the first city in the United States to attract over 50 million visitors. Total visitation to Orlando has continued to grow. In 2015, 66.5 million people visited the Orlando MSA. The area also features significant convention and cruise ship activity. In addition to tourism, the area economy features increasing diversification via a growing medical and research sector and a large education sector with several colleges and universities, including the University of Central Florida with an enrollment of more than 60,000 students.

Authority Governing Board and Management

The Authority is governed by a seven-member Board. Five members are appointed by the Governor of the State, subject to confirmation by the State Senate, one member is the Mayor of the City and one member is the Mayor of Orange County, Florida. One of the five members of the Board appointed by the Governor must be a resident of Osceola County. Members appointed by the Governor are appointed for four-year terms. All Board members may be reappointed, provided that the maximum consecutive service for appointed members may not exceed eight years or two consecutive four year terms, whichever is longer.

The current Authority Board members and their respective term expiration dates are provided below.

Board Member	Term
Frank Kruppenbacher, Chairman	April 16, 2018
Dean Asher, Vice Chairman	April 16, 2016 ⁽¹⁾
Domingo Sanchez, Treasurer	April 16, 2016 ⁽¹⁾
The Honorable Buddy Dyer	Term in Office
Ed Fouche	April 16, 2018
The Honorable Teresa Jacobs	Term in Office
James Palmer	April 16, 2016 ⁽¹⁾⁽²⁾

⁽¹⁾ Board members whose terms have expired continue to serve until they are either reappointed or the Governor appoints a new member to replace them.

⁽²⁾ Mr. Palmer has served two terms and may not be reappointed.

The Airport System is managed by an Executive Director who oversees a staff of approximately 681 employees (includes full-time, part-time and temporary employees) as of June 30, 2016. Biographical data concerning the Executive Director and certain other key officials of the Authority is set forth below.

Phillip N. Brown, A.A.E. Mr. Brown is the Executive Director of the Authority. As Executive Director, he is responsible for the operation and management of both Orlando International Airport and Orlando Executive Airport, with an annual budget of over \$471 million. Orlando International Airport serves more than 40 million passengers annually, making it one of the busiest airports in the State. During the past 35 years as a business professional, Mr. Brown served in a variety of public and private sector positions. These positions include a previous stint as Deputy Executive Director - Administration for the Authority in the early 1990's as well as County Administrator for Orange County Florida. For fourteen years, prior to his return to the Authority, Mr. Brown was employed as a public finance professional. Mr. Brown currently serves as Chairman of the AAAE Airport Legislative Alliance (ALA), as a member of the AAAE Policy Review Committee (PRC), and is Vice Chairman of the Gateway Airports Council (GAC). Mr. Brown holds a Master's Degree in Business Administration from the University of Tennessee, and is an Accredited Airport Executive by the American Association of Airport Executives ("AAAE").

Stanley J. Thornton. Mr. Thornton is the Chief Operating Officer. As Chief Operating Officer he is responsible directly to the Executive Director for managing the daily functions of the Airport and Orlando Executive Airport. Mr. Thornton has more than 35 years of experience in construction and airport management in both the private and public sectors. Prior to returning to the Authority in August 2010, Mr. Thornton worked in the private sector serving a number of airports including Phoenix Sky Harbor International as the Airport Program Development Director. Mr. Thornton is very

familiar with the Airport and Orlando Executive Airport, having worked at the Authority from 1993 through 2006 in various positions, including Interim Senior Director of Engineering and Construction. In his prior roles at the Authority, Mr. Thornton managed the Maintenance, Construction, and Engineering Divisions where he was responsible for the planning, implementation and oversight of maintenance and renovation programs, and all construction projects for the Authority. In addition to his airport management experience, Mr. Thornton has 20 years of experience as a construction professional building heavy civil and commercial projects. Mr. Thornton holds a Bachelor's of Science Degree in Management and a Master of Business Administration Degree in Technology Management from the University of Phoenix.

Kathleen M. Sharman. Ms. Sharman was recently appointed Chief Financial Officer for the Authority. She has more than 30 years of accounting and finance experience across multiple transportation modes (toll roads, transit and airport) as well as solid waste and real estate industries in the public and private sectors. Prior to joining the Authority, Ms. Sharman served as the CFO and Treasurer of the New Jersey Transit Corporation, one of the nation's largest providers of bus, rail and light rail transit with over 11,000 employees and an operating budget of over \$2 billion. In this capacity, she was responsible for managing the accounting, budget, treasury, risk management, real estate, pension and benefits and project finance functions of the corporation and was the President of ARH III, the Corporation's wholly owned Insurance Captive. Her public sector experience also includes serving as CFO and Treasurer of Georgia's State Road and Tollway Authority where she managed a nearly \$2 billion GARVEE program, a \$40 million State Transportation Infrastructure Bank and the finance and administrative functions of the Authority. In addition, she served as the CFO and Treasurer for the South Jersey Transportation Authority, operator of the Atlantic City Expressway and the Atlantic City International Airport. Ms. Sharman's accomplishments include managing creative project financings and public-private partnership transactions in both Georgia and New Jersey as well as overseeing the Atlantic City Expressway's initial implementation of the E-ZPass® electronic-toll-collection back office interface. Ms. Sharman began her career at Arthur Andersen and has held corporate Controller positions for several private sector companies in the solid waste and real estate industries. She holds a Bachelor's of Business Administration from George Washington University and is a Certified Public Accountant.

Airport Facilities

The Airport has four north-south parallel runways designated as 18L/36R, 18R/36L, 17R/35L and 17L/35R. The runways are interconnected by a system of taxiways. All four runways have full instrumentation and lighting to permit all weather operations and are capable of handling the largest commercial aircraft currently in use, with runway 18L/36R being able to accommodate new large aircrafts (e.g. the Airbus A380). The spacing between sets of parallel runways is adequate to allow triple

simultaneous approaches under instrument flight rules set by the Federal Aviation Authority (the "FAA"). The runways are supported by a network of taxiways, aprons, and hold areas. Three crossover taxiways connect the runways on either side of the terminal complex.

Runway	Length	Width
18L/36R	12,000 feet	200 feet
18R/36L	12,000 feet	200 feet
17R/35L	10,000 feet	150 feet
17L/35R	9,000 feet	150 feet

The North Terminal Complex consists of the landside terminal, four airside buildings with associated aircraft parking aprons and connecting taxiways, APMs connecting the landside terminal to the airside buildings, an in-terminal hotel, a terminal roadway system with associated signage, ground level and structured parking for automobiles, rental car facilities, landscaping, a hydrant fueling storage and distribution system, a flood control bypass canal, and utilities and drainage.

The landside terminal and airside buildings provide approximately 3.5 million square feet of enclosed space, excluding the hotel, which comprises an additional 807,000 square feet. On a gross square footage basis, the North Terminal Complex, including the hotel, the unenclosed roadways under the landside terminal, and the terminal rooftop parking, comprises approximately 6 million square feet. The north and south sides of the landside terminal are known as Terminal A and B, respectively. The airside buildings are known as Airsides 1, 2, 3 and 4. Access to the Airport is provided by a divided highway system, which connects the Airport with the Orlando MSA and the interstate highway network. The road system provides direct access to automobile parking adjacent to and above the landside terminal.

The landside terminal has 10 levels. Level 1 accommodates ground transportation functions, including staging and parking areas for buses, limousines, and taxis as well as a tunnel under the terminal roadway system to connect passengers to parking facilities. Level 2 accommodates arrival and baggage claim functions, including space for rental car and bus check-in counters. Level 3 accommodates airline ticketing and departure functions and most of the landside terminal space allocated to food/beverage and retail merchandise concessions.

A 445-room hotel with restaurants and conference facilities is an integral part of the landside terminal and is directly accessible from the departure level. The hotel occupies Levels 4 through 10 on the eastern-most portion of the landside terminal. Except for the hotel areas, Levels 4 through 10 accommodate parking.

The landside terminal is connected by automated people movers to the four airside buildings. The airside buildings and aprons provide 93 contact aircraft gates for jet

aircraft and associated passenger waiting areas, concessions, and airline operations space. Of the 93 jet aircraft gates, 68 gates are currently assigned on a preferential use basis to airlines signing Letters of Authorization (as defined in the Rate Resolution) and the remaining gates are available for use on a per-turn basis. Federal Inspection Services ("FIS") facilities are provided in airside buildings 1 and 4 and can accommodate international arrivals at 16 gates. Combined FIS capacity can accommodate approximately 2,600 arriving passengers per hour. In addition to the 93 contact aircraft gates, the terminal apron provides aircraft parking for 22 remain-over-night spaces.

Rental car ready/return stalls are located on Levels 1 and 2 of the garages adjacent to both sides of the North Terminal. Adjacent to the garages on (Level 1) there are quick turnaround areas ("QTAs") for stacking, cleaning, fueling, washing, and staging cars prior to moving them into the ready car spaces in the garage. The Airport opened expanded rental car facilities on April 1, 2010, which included (a) an expansion and reconfiguration of the existing Terminal A QTA, (b) construction of a new Terminal B QTA and associated relocation of the bus and taxi hold facilities, (c) addition of ready/return spaces at Terminal A, (d) construction of a common fuel distribution system, and (e) associated terminal roadway improvements.

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Airlines Serving Orlando International Airport

The following table provides a listing of the Airlines serving the Airport as of July 2016.

Airlines Serving Orlando International Airport (as of July 2016)

Network Carriers

Alaska Airlines
American Airlines Inc.⁽¹⁾
Delta Air Lines
United Airlines Inc.

Regional Airlines⁽²⁾

Silver Airways Corp.

Low Cost Carriers

Frontier Airlines
jetBlue Airways Corp.
Southwest Airlines Co.
Spirit Airlines
MN Airlines LLC d/b/a Sun Country
Virgin America Inc.

All Cargo Airlines

ABX Air Inc.
Air Transport International, Inc.
Amerijet International Inc.
Federal Express Corporation
Mountain Air Cargo
United Parcel Service Inc.

Foreign-Flag Airlines

Aer Lingus Ltd.
Aerovias de Mexico S.A. de C.V.
Aerovias Del Continente Americano S.A. Avianca
Air Canada
Air Transat
Azul Linhas Aereas Brasileiras S.A. Inc. d/b/a Azul Brazilian Airlines
Bahamassair
British Airways
Caribbean Airlines Limited
Concesionaria Vuela Compania Aviacion SAPI de CV d/b/a Volaris
COPA Airlines
Emirates Inc.
Icelandair LLC
Lan Peru S.A.
Lufthansa Airlines
Norwegian Air Shuttle
Sunwing Airlines Inc.
TACA International Airlines
TAM Linhas Aereas d/b/a TAM Airlines⁽³⁾
Thomas Cook Airlines
Virgin Atlantic Airways Ltd.
WestJet Airlines Ltd.

Other⁽⁴⁾

Kalitta Charters
LAN Airlines S.A.⁽³⁾
Miami Air International, Inc.
Swift Air, LLC
TEM Enterprises d/b/a Xtra Airways

⁽¹⁾ US Airways and American Airlines Inc. merged operations at the Airport effective August 1, 2015.

⁽²⁾ Airlines that are subsidiaries of other airlines are not listed separately for purposes of this table.

⁽³⁾ LAN Airlines and TAM Linhas Aereas merged in 2012 to form LATAM but continue to operate under separate brands until 2018, when all aircraft are expected to be rebranded as LATAM.

⁽⁴⁾ Airlines with ad hoc or diversion operations.

Source: Airline category list is derived from OAG Aviation Worldwide Ltd., online database, accessed July 2016, and airline list is derived from the Greater Orlando Aviation Authority.

The following table sets forth the number of aircraft gates assigned to the Participating Airlines at the Airport as of August 2016. 68 gates are currently assigned to the Participating Airlines and the balance are available to be used on a common use, per-turn fee basis. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" herein for more information about Airlines' use and occupancy of Terminal premises.

**Number of Aircraft Airline Gates
as of August 2016**

Preferential Use Gates	
Aeromexico	1
Air Canada	1
American Airlines	8
British Airways	1
COPA Airlines	1
Delta Air Lines	8
Frontier Airlines	3
jetBlue Airways	9
Silver	1
Southwest Airlines	20
Spirit Airlines	4
United Airlines	9
Virgin Atlantic	1
Westjet	1
Total Preferential Use Gates	<u>68</u>
Total Common Use Gates	<u>25</u>
Total Aircraft Airline Gates	<u><u>93</u></u>

Source: The Greater Orlando Aviation Authority.

Airline Market Shares

In Fiscal Year 2015, Southwest Airlines accounted for 26.8% of all passengers at the Airport, less than its Fiscal Year 2010 share (34.5% including AirTran Airways). American Airlines (including US Airways) accounted for the second largest share with 15.5%, followed by Delta Air Lines with 14.7%, jetBlue Airways with 13.7%, United Airlines with 9.8% and Spirit Airlines with 3.6%. Compared with many other large U.S. hub airports, the Airport exhibits a relatively low degree of airline concentration.

For the first nine months of Fiscal Year 2016, Southwest Airlines has accounted for 26.0% of all passengers at the Airport, followed by Delta Air Lines with 14.6%, American Airlines (including US Airways) with 14.1%, jetBlue Airways with 13.2%, United Airlines with 9.4% and Frontier Airlines with 5.8%.

The following table sets forth comparative passenger market share information for air carriers serving the Airport during Fiscal Years 2011 through 2015.

Historical Airline Market Shares Percentage of Total Passengers Fiscal Years 2011-2015					
	2011	2012	2013	2014	2015
Participating Airlines⁽¹⁾					
Southwest Airlines Co. ⁽²⁾	21.44%	21.26%	19.06%	27.85%	26.81%
AirTran Airways ⁽²⁾	13.09	11.54	10.16	-	-
Delta Air Lines	14.96	14.71	15.10	15.32	14.68
jetBlue Airways	12.61	13.46	13.97	13.89	13.66
United Airlines Inc. ⁽³⁾	4.58	4.34	4.26	10.34	9.84
US Airways ⁽⁴⁾	6.82	7.20	7.93	8.12	6.47
American Airlines Inc. ⁽⁴⁾	7.68	7.96	7.85	8.04	9.04
Continental Airlines ⁽³⁾	5.45	5.29	5.65	-	-
Spirit Airlines	2.16	2.42	2.90	3.26	3.57
Virgin Atlantic Airways Ltd	2.36	2.25	2.37	2.30	2.17
Air Canada	1.11	1.27	1.38	1.42	1.46
Frontier Airlines	-	0.96	1.27	1.25	3.11
COPA Airlines	0.62	0.76	0.88	0.97	1.02
WestJet Airlines Ltd	0.82	0.79	0.81	0.89	0.91
British Airways	0.50	0.60	0.65	0.71	0.77
Silver Airways Corp	-	-	0.10	0.38	0.53
Aerovias de Mexico SA de CV	-	-	-	0.41	0.51
Subtotal Participating Airlines	<u>94.20%</u>	<u>94.81%</u>	<u>94.34%</u>	<u>95.15%</u>	<u>94.55%</u>
Non-Participating Airlines					
Domestic Mainline	2.61%	1.40%	2.76%	1.37%	1.25%
Foreign Flag Airlines	2.65	3.29	2.69	3.45	4.19
Commuter Airlines	0.54	0.50	0.21	0.03	0.01
TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

⁽¹⁾ Pursuant to the prior Rate Resolution, effective November 1, 2013, all prior lease and use agreements were terminated. As a result, the Authority no longer maintains information categorizing Airlines as "signatory" or "non-signatory." In accordance with the Rate Resolution and Revenue Sharing Agreements, the Airline information presented in this table is categorized on the basis of "Participating Airlines" and "Non-Participating Airlines." See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY - Transition to Rate Resolution" herein.

⁽²⁾ On March 1, 2012, Southwest Airlines received FAA approval for a single operating certificate, providing for the integration of Southwest Airlines and AirTran Airways.

⁽³⁾ On November 30, 2011, United Airlines received FAA approval for a single operating certificate, providing for the integration of United Airlines and Continental Airlines.

⁽⁴⁾ On April 8, 2015, American Airlines received FAA approval for a single operating certificate, providing for the integration of American Airlines and US Airways.

Source: The Greater Orlando Aviation Authority.

Enplaned Passengers at the Airport

The following table sets forth the Airport's historical data for (a) domestic enplaned passengers, (b) international enplaned passengers, (c) total enplaned passengers (a + b=c), (d) international passengers as a percentage of total enplaned passengers (b/c=d), and (e) the respective annual percentage changes, for Fiscal Years 2006 to 2015, and for the first nine months, October 1st through June 30th, of Fiscal Years 2015 and 2016.

Historical Domestic, International and Total Enplaned Passengers

Fiscal Year Ended September 30	Domestic Enplaned Passengers (a)	Percent Change for Domestic Enplaned Passengers from Previous Year	International Enplaned Passengers (b)	Percent Change for International Enplaned Passengers from Previous Year	Total Enplaned Passengers (a + b = c)	Percent Change for Total Enplaned Passengers from Previous Year	International Enplaned Passengers as Percentage of Total Enplaned Passengers (b/c=d)
2006	16,258,674	3.16%	1,058,199	(1.35)%	17,316,873	2.87%	6.11%
2007	16,747,601	3.01	1,084,217	2.46	17,831,818	2.97	6.08
2008	16,920,447	1.03	1,317,831	21.55	18,238,278	2.28	7.23
2009	15,373,029	(9.15)	1,425,573	8.18	16,798,602	(7.89)	8.49
2010	15,535,522	1.06	1,595,574	11.93	17,131,096	1.98	9.31
2011	16,080,029	3.50	1,692,020	6.04	17,772,049	3.74	9.52
2012	15,870,366	(1.30)	1,859,675	9.91	17,730,041	(0.24)	10.49
2013	15,470,690	(2.52)	1,956,577	5.21	17,427,267	(1.71)	11.23
2014	15,477,675	0.05	2,057,323	5.15	17,534,998	0.62	11.73
2015	16,426,194	6.13	2,400,904	16.70	18,827,098	7.37	12.75
10/2014-06/2015	12,432,571	-	1,732,017	-	14,164,588	-	12.15
10/2015-06/2016	13,651,156	9.80	2,006,867	15.87	15,658,023	10.54	12.82

Source: The Greater Orlando Aviation Authority.

International Airline Traffic in the Orlando MSA

Orlando International Airport. The Airport has scheduled passenger air service to international destinations in six geographical regions in the world, North America, Central America, South America, the Caribbean, Europe and the Middle East. Between Fiscal Year 2010 and Fiscal Year 2015, the number of revenue enplaned passengers on international flights increased an average of 8.6% per year. Europe accounted for the largest share of international revenue passengers in Fiscal Year 2015, with 32.9%, but showed slower than average growth (increasing an average of 2.1% annually between Fiscal Year 2010 and Fiscal Year 2015), reflecting, in part, Europe's slow economic recovery and continuing financial crisis. Passenger traffic to and from other world regions - Mexico, Central America, South America, Canada, and the Caribbean - was the primary driver of international traffic growth at the Airport between Fiscal Year 2010 and Fiscal Year 2015. South America accounted for the strongest growth between Fiscal Year 2010 and Fiscal Year 2015, increasing an average of 23.1% per year, followed by the Caribbean (an average increase of 14.9% per year), and Central America (an average increase of 12.6% per year).

In recent years, the Airport's facility needs for the processing of international passengers have increased. Between Fiscal Year 2010 and Fiscal Year 2015, with the continued development of international airline service at the Airport, the number of international arriving passengers requiring FIS facilities increased an average of 9.2% annually, compared with an average increase of 7.1% annually in the number of "precleared" passengers who do not require U.S. Customs processing at the Airport. In the past, the growth in international arriving passengers requiring FIS facilities has been slower than precleared passengers. The Authority anticipates continued increases in international airline service, with international enplanement growth forecast to outpace domestic passenger growth for the next several years. See, however, "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS" herein.

Sanford International Airport. The Sanford International Airport, which is not operated by the Authority and is not a part of the Airport System, is a small-hub airport located approximately 35 miles north of the Airport with 12 gates that accommodate both scheduled and chartered international flights. International service at Sanford International Airport has consisted primarily of charter flights, most of which originated in the United Kingdom and Europe. Since 2007, international charter service to and from the Orlando area declined substantially while scheduled international airline service increased. In Fiscal Year 2015, the Airport's share of international passengers was 97% of the combined total (the Airport and Sanford International Airport) while Sanford International Airport's share was 3%.

Airline Activity at the Airport

From 2010 to 2016, passenger airline service at the Airport, in terms of scheduled departing seats, decreased to U.S. destinations but increased considerably to international destinations, albeit on a smaller base. The decrease in domestic service at the Airport reflected the slow recovery from the 2008-2009 economic recession and continued capacity discipline practiced by airlines throughout the United States. Latin America led the growth in seats at the Airport between 2010 and 2014, followed by departures to Canada and Europe.

In Fiscal Years 2015 and 2016, scheduled departing seats at the Airport increased 8.2% and 6.4%, respectively, with Europe, the Middle East, North America, and Latin America (with the exception of the Caribbean and lower South America in 2016 based on advanced airline schedules) showing increases. In Fiscal Year 2015, new airline service from Orlando was introduced by five airlines - Azul Airlines service to Sao Paulo, Brazil in December 2014, Lan Airlines service to Lima, Peru in June 2015, Tam Airlines service to Brasilia, Brazil in June 2015, Emirates service to Dubai, United Arab Emirates in September 2015, and Icelandair service to Reykjavik, Iceland in September 2015. Tam Airlines discontinued its service to Brasilia in June 2016 in the midst of the ongoing Brazilian economic recession.

Rental Automobile Concessions

The Authority entered into four rental automobile concession agreements with Avis Budget Car Rental, LLC (Avis and Budget brands), DTG Operations, Inc. (Dollar and Thrifty brands), EAN-Orlando, LLC (Enterprise, Alamo and National brands), and The Hertz Corporation (Hertz brand), which became effective April 1, 2010 with the opening of expanded facilities at the Airport, allowing the companies to streamline processing for rental car customers. The Authority subsequently entered into a fifth rental automobile concession agreement with Advantage Opco, LLC (Advantage and EZ Rent A Car brands), which has essentially the same terms as the other agreements. The five rental automobile concession agreements are in effect until March 31, 2020. The expanded facilities and new agreements allowed the previous onsite brands (Avis, Budget, Dollar, Alamo and National) to team with some of the previous offsite brands (Thrifty, Enterprise, Hertz and Advantage) to maintain vehicles and operations on Airport property. The Authority estimates that the on-Airport rental car operators serve approximately 95% of rental car customers and will have facilities to accommodate the higher demand projected in the future.

Pursuant to the CFC Enabling Resolution, the Authority has been collecting CFCs equal to \$2.50 per day up to a maximum of five days since October 2008. The CFCs collected are currently being used to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental automobile facilities at the Airport, construction costs of the South APM Parking Garage and to repay the CFC

Bonds. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Airport Facilities Revenue Bond Resolution. At such time as the CFC Bonds have been retired and any other indebtedness or other amounts payable from CFCs have been paid and prior to the Consent Effective Date, CFCs will then be included in Revenues and will be available to the Authority for any lawful purpose. See "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto for more information on the ability of the Authority to designate all or a portion of CFC Revenues as "Available CFC Revenues" upon the Consent Effective Date.

Taxation of Facilities, Rentals and Services

All real and personal property owned by the City or the Authority and used exclusively for governmental, municipal or public purposes is currently exempt from ad valorem taxation. Real property owned by the City, operated by the Authority and used by or leased to private commercial entities for nongovernmental purposes is subject to ad valorem real property taxes. In most cases, a lessee is obligated under its lease with the Authority to pay such taxes. To the extent such taxes are not paid by the lessee, the Authority is obligated to reimburse the City for that portion of taxes assessed against real property operated by the Authority. The Authority is unable to estimate the amount of any such taxes it may be required to pay. However, to the extent the Authority reimburses the City for these taxes, the Authority expects that such taxes will be provided for in the Authority's annual budget, as an operating expense, and paid by rates, fees, rentals and other charges for use of the Airport System. No provision was made for the payment of any such ad valorem taxes in "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014."

All tangible personal property owned by private enterprises, including that owned by Airlines, which is located on municipally owned airports, is currently subject to Orange County tangible personal property taxation.

All gross income received by the Authority for rental of land, buildings or space in buildings (with certain exclusions for property used exclusively for aircraft landing or taxiing and space used by Airlines in connection with loading or unloading passengers or property or for fueling aircraft) is subject to the Florida Sales and Use Tax (currently six and one-half percent). Such taxes are normally added to such rents and paid by the tenants to the Authority, but the Authority is also responsible for the collection and payment of such taxes.

The Authority is subject to certain taxes imposed with respect to the rental of Hotel rooms and the providing of goods and services in connection with the operation of the Hotel, but such taxes are ordinarily added to the fees paid by customers of the Hotel.

The Poitras Property

The Authority has pursued aviation and commercial development of the Poitras property located south of the Airport. The Authority's 1,854-acre Poitras property is adjacent to the Lake Nona/Medical City campus. The Poitras property was originally purchased by the Authority without Federal assistance in 1989 to provide borrow material for the Airport's 3rd and 4th runways and for wetland mitigation for Airport projects. The Poitras property was subsequently included in the Southeast Orlando Sector Plan approved by the City in 1999 and a conceptual Planned Development Land Use Plan for the Poitras property was consented to by the Authority in 2011 for controlled non-aviation development of the property. The Authority plans to sell approximately 600 acres of the Poitras property to generate non-aviation revenue consistent with the Planned Development Land Use Plan approved for the property.

SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY

Unless expressly defined herein, capitalized terms used in this section entitled "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" shall have the meanings assigned thereto in the Rate Resolution, a copy of which is attached hereto as APPENDIX D.

Transition to Rate Resolution

Prior to November 1, 2013 (the "Transition Date") the Authority established rates and charges and leased Airfield and Terminal facilities at the Airport under certain lease and use agreements. On August 10, 2016, the Authority adopted its current Rate Resolution, effective as of October 1, 2016 (the "Rate Effective Date"), replacing the prior one adopted on November 1, 2013. On the Transition Date, any and all agreements between the Airlines and the Authority for the lease and use of the Airfield and Terminal facilities at the Airport (including the then existing lease and use agreements with the former signatory airlines) were terminated and deemed to be of no further force and effect, except with respect to certain payment obligations, any prior approvals for capital projects, and certain other obligations intended to survive termination pursuant to the terms of such agreements, which shall survive termination until such obligations have been satisfied. The documents underlying the Authority's rate making methodology include: (a) the Rate Resolution; (b) the Rate Methodology; (c) the Operating Permits; (d) the Letters of Authorization (e) the Revenue Sharing Agreements; and (f) the Authority Policies and Procedures. The Rate Resolution, Rate Methodology, Operating Permits, and Letters of Authorization set forth (i) the methodology for calculating applicable Rates and Charges for Airline use of the Airfield and Terminal facilities at the Airport; (ii) the space, if any, assigned to each Airline on an exclusive or preferential use basis for its use;

(iii) the timing and manner of required payments of Rates and Charges; and (iv) other applicable operating conditions and requirements at the Airport.

The Rate Resolution applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms thereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges determined by the Rate Resolution. Each Airline is offered the opportunity to execute a Letter of Authorization to commit to certain exclusive or preferential space and obtain the benefit of rates that are calculated on a square footage basis (i.e., fixed monthly charge for assigned space). Letters of Authorization are also available to Airlines wishing to rent space other than holdrooms, ticket counters, bag make-up, and apron areas. Space (other than Exclusive Premises) not subject to a Letter of Authorization may be used by the Airline on a common use basis, but Airlines will be charged on a Per Turn or other activity basis. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY - Rate Methodology, Rates and Charges" herein.

Use and Occupancy of Terminal Premises

Pursuant to the Rate Resolution, the Authority may, from time to time, establish minimum or maximum space, facilities and/or equipment usage requirements, pursuant to Authority Policies and Procedures. Unless an Airline enters into a Letter of Authorization for Committed Premises, the Airlines shall only use such Terminal space, facilities and equipment as shall be assigned to them from time to time by the Authority. Use of particular Baggage System equipment shall be assigned by the Authority to Airlines from time to time based on operational efficiencies and Airline needs. Except with respect to International Gates, any Airline assigned specific Committed Premises pursuant to a Letter of Authorization shall be entitled to the exclusive or preferential use of such Committed Premises, as applicable, for the applicable term set forth in such Letter of Authorization. At such time as the Airline Premises are, in the reasonable discretion of the Executive Director, insufficient to support an Airline's operations or use of the Airline Premises exceeds the legal capacity for such space, facilities or equipment, the Authority is entitled to assign and charge to such Airline additional space, facilities or equipment on a Per Turn basis reasonably sufficient for such Airline's needs. Alternatively, such Airline may commit to occupy and use such additional space, facilities or equipment on an exclusive or preferential use basis in accordance with a Letter of Authorization. An Airline which includes an International Gate and holdroom as part of its Committed Space will receive preferential occupancy and use for scheduled

flights of one or more International Gates, as assigned from time to time by the Authority, but not preferential occupancy and use of any particular International Gate.

Letters of Authorization may be for a duration of three months or longer and may be signed by an Airline at any time in order to classify Airline Premises as Committed Premises, but shall not be effective until signed by the Authority. Each Airline may, subject to its compliance with the Rate Resolution and Authority Policies and Procedures, use, in common with others so authorized by the Authority, all Airline Premises, including related space, facilities, equipment, Public Space, the Airfield Cost Center and Terminal Aprons for the operation of each Airline's Air Transportation Business and all activities reasonably necessary to such operations.

Rate Methodology, Rates and Charges

Each Airline is obligated to pay to the Authority Rates and Charges for the use and occupancy of the Airfield, Terminal Apron, and Terminal, which Rates and Charges are to be established by the Authority for each Fiscal Year and shall include, but not be limited to: Landing Fees, monthly charges for Committed Premises and other assigned Exclusive Use Premises, Facility Fees, FIS Fees, Airline Equipment Charges, Apron Use Fees and Common Use Baggage Charges. The specific Rates and Charges payable by Airlines during a Fiscal Year shall be calculated using the Rate Methodology based on estimates by the Authority of projected costs and Airline activity for the Fiscal Year. Within 30 days after the Board has accepted the audit for a Fiscal Year, the Authority shall recalculate Rates and Charges for such Fiscal Year based on actual costs and Airline activity, and provide notice to each Airline operating at the Airport during that Fiscal Year of the total actual Rates and Charges owed for such Fiscal Year, as compared to the Rates and Charges paid ("True-Up"). If an Airline has paid more Rates and Charges than was determined to be due following the True-Up, the Authority shall pay such excess to such Airline within 30 days after the True-Up calculation is complete. If an Airline has paid less Rates and Charges than was determined to be due following the True-Up, such Airline shall pay such shortfall to the Authority within 30 days after receipt of an invoice for such shortfall amount from the Authority, or the Authority may, in its discretion, recover such underpayment by offsetting such amount from any revenue sharing or other payments owed by the Authority to the affected Airline.

The Landing Fee Rate is established according to a cost center residual methodology to recover all Airfield costs net of Airfield revenues generated from users other than Airlines. The Apron Use Fee is established under a compensatory ratemaking methodology where the fee is calculated to recover the average cost for each of the operational gates in the Terminal Apron Cost Center. The Terminal Premises Rate is established under a commercial compensatory ratemaking methodology where the rate is calculated to recover the average cost of each square foot of Rentable Space in the Terminal Cost Center, including the proportionate share of the costs of non-rentable Terminal space. See "AUTHORITY FINANCIAL INFORMATION" herein.

Pursuant to the Revenue Sharing Agreements, Participating Airlines have waived their right to challenge the Rate Methodology set forth in the Rate Resolution. The Authority has approved new Revenue Sharing Agreements for the Participating Airlines, which will extend through Fiscal Year 2019. Under the new Revenue Sharing Agreements, the Authority will continue to be able to impose rates and charges that would allow the Authority to generate Revenues sufficient to cover the debt service payments in respect of all Outstanding Airport Facilities Revenue Bonds, including the Series 2016 Bonds.

Federal aviation law requires, in general, that airport fees be reasonable and that, in order to receive federal grant funding, all airport generated revenues must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner that are directly and substantially related to air transportation of passengers or property. Pursuant to the requirements of the Federal Aviation Administration Authorization Act of 1994, as subsequently amended in September 2013, the U.S. DOT and FAA have promulgated regulations setting forth an expedited hearing process to be followed in determining the reasonableness of airport rates and charges, and have also promulgated a policy statement (the "Rates and Charges Policy"), which sets forth the standards that the U.S. DOT uses in determining the reasonableness of the fees charged to airlines and other aeronautical users. Any changes to the Rates and Charges Policy could impact the costs that are permitted to be included in determining the Airport's rate base and the extent to which such future guidelines may limit the Authority's flexibility in setting rates and charges for use of the Airport's Airfield and Terminal facilities. Any new FAA guidelines or any standards promulgated by a court in connection with a dispute could limit the amounts and allocation of costs payable by airlines serving the Airport.

The Authority believes that the Rate Methodology currently utilized by the Authority is reasonable and consistent with applicable law. However, there can be no assurance that a complaint will not be brought against the Authority with respect to the Rate Resolution, the Rate Methodology, or the Revenue Sharing Agreement, and, if a judgment is rendered against the Authority, there can be no assurance that rates and charges paid by the Airlines using the Airport facilities will not be reduced. For more information regarding various other terms of the Revenue Sharing Agreements, including the Participating Airlines' agreement therein to not challenge the Rate Methodology established under the Rate Resolution, see " - Revenue Sharing Agreements" below.

Annual Rate Changes

Prior to the end of each Fiscal Year, the Authority is required to notify the Airlines of the proposed schedule of initial Rates and Charges for the ensuing Fiscal Year and of any proposed changes in the Rate Methodology. The Executive Director has the authority to modify the Rate Methodology as deemed appropriate, and such modification shall be an amendment to the Rate Resolution and the modified Rate Methodology shall

thereafter be incorporated therein, without any further action by the Board being required. If the Authority fails to complete the calculation of the new Rates and Charges and provide the required notice to the Airlines on or prior to the end of the then current Fiscal Year, the Rates and Charges then in effect shall continue to be paid by the Airlines until such calculations are concluded and such notice is given. All adjustments to Rates and Charges based on the True-Up or in accordance with the Fiscal Year end calculation of the proposed schedule of initial Rates and Charges, shall apply without the necessity of a formal consultation with the Airlines, Board action or any other approvals; provided there has been no change in the Rate Methodology.

Revenue Sharing Agreements

Airlines that are a party to the new Revenue Sharing Agreement (a) commit to the preferential assignment of at least one gate and associated space through September 30, 2019, and (b) agree not to challenge the Rate Methodology set forth in the Rate Resolution and not to finance or otherwise participate in any challenge of the Rate Methodology through Fiscal Year 2019, are deemed to be "Participating Airlines" and are entitled to obtain the benefits of revenue sharing pursuant to the terms set forth in the Revenue Sharing Agreement.

The approved Revenue Sharing Agreements are essentially the same as the existing Revenue Sharing Agreements with modest refinements and a modified revenue sharing arrangement. Under the new Revenue Sharing Agreements, the Authority has agreed to pay to the Participating Airlines the following amounts each year, but only after the Authority pays all debt service, operating expenses, and reserves, and retains revenues from certain specified sources, plus an additional \$65 million in revenues from all other sources: (a) 65% of the next \$39 million of remaining revenues in Fiscal Year 2017, of the next \$40 million of remaining revenues in Fiscal Year 2018 and of the next \$58 million of remaining revenues in Fiscal Year 2019, (b) then, the next \$10 million in remaining revenues for each Fiscal Year, and (c) finally, 65% of all remaining revenues thereafter for each Fiscal Year.

The following table provides a listing of Participating Airlines as of August 2016.

Participating Airlines Orlando International Airport			
Aeromexico	Copa Airlines	Silver Airways	Virgin Atlantic Airways
Air Canada	Delta Air Lines	Southwest Airlines ⁽²⁾	WestJet
American Airlines ⁽¹⁾	Frontier Airlines	Spirit Airlines	
British Airways	jetBlue Airways	United Airlines ⁽³⁾	

⁽¹⁾ On April 8, 2015, American Airlines received FAA approval for a single operating certificate, providing for the integration of American Airlines and US Airways.

⁽²⁾ On March 1, 2012, Southwest Airlines received FAA approval for a single operating certificate, providing for the integration of Southwest Airlines and AirTran Airways.

⁽³⁾ On November 30, 2011, United Airlines received FAA approval for a single operating certificate, providing for the integration of United Airlines and Continental Airlines.

Source: The Greater Orlando Aviation Authority.

Subordination to Bond Resolution

The Rate Resolution and all privileges granted to the Airlines thereunder are expressly made subordinate and subject to the lien, covenants (including the rate covenants), and provisions of the Bond Resolution. To the extent the Rate Resolution is inconsistent with the Authority's requirements under the Bond Resolution, the Rate Resolution shall be deemed amended to the extent and for the duration needed to allow the Authority to comply with such Bond Resolution requirements. To the extent required by the Bond Resolution or law, the holders of Bonds or their designated representatives shall have the right to exercise any and all rights of the Authority under the Rate Resolution.

INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES

General - Revenues

Revenues are generally comprised of revenues received from Rates and Charges paid by Airlines as determined by the Rate Resolution, parking, concessions and rental car revenues, hotel revenues and rental revenues for other Airport buildings and sites. In Fiscal Year 2015, Rates and Charges paid by Airlines accounted for 34.2% of total Revenues; while concessions, parking and rental car revenues accounted for 52.3%; followed by hotel revenues which accounted for 9.3% and other buildings and ground revenue sources which accounted for 4.2%.

Information Regarding Sources of Revenue

Airfield Area Revenue Sources. Sources of Airfield area revenues include fees for landing passenger and cargo aircraft, apron use, and fuel system rental and fees.

Airfield area revenue sources amounted to approximately \$38.2 million for Fiscal Year 2015 compared with approximately \$35.2 million for Fiscal Year 2014 representing an increase of approximately \$3.0 million or 8.5% due to an increase in airline activity and additional landing fee revenues. For the nine months ended June 30, 2016, Airfield area revenues amounted to approximately \$33.8 million compared to \$31.1 million for the nine months ended June 30, 2015, representing an increase of \$2.7 million or 8.7% due to an increase in airline activity and additional landing fee revenues.

Terminal Area Revenue Sources. Sources of Terminal area revenues include space rentals, privilege fees for the operation of terminal concessions, baggage fees and other miscellaneous airline fees. Sources of terminal concession revenues are food and beverage concessions, merchandise concessions, and other terminal concessions. The Authority has a written statement of policy for awarding concession and consumer service privileges at the Airport. In accordance with this policy, the Authority specifies performance and operating standards in its agreements with concessionaires in furtherance of its public service and revenue goals. Under the various concession agreements, the concessionaires pay to the Authority the greater of a percentage of gross receipts or a minimum annual guarantee.

Terminal area revenues totaled approximately \$176.4 million for Fiscal Year 2015 compared with approximately \$163.4 million for Fiscal Year 2014 representing an increase of approximately \$13.0 million or 8.0% primarily due to a new common use baggage system charge effective for a full Fiscal Year as compared to only 11 months in Fiscal Year 2014 when the change became effective, and increases in concessions, Facility Fees and Federal inspection fee revenue as a result of increased passenger activity. For the nine months ended June 30, 2016, Terminal area revenues amounted to approximately \$148.5 million compared to \$135.4 million for the nine months ended June 30, 2015, representing an increase of approximately \$13.1 million or 9.7%. The increase is primarily due to an increase in Facility and Federal Inspection Station Fee Revenue resulting from an increase in international passenger traffic and the addition of service by several new airlines in 2015 as well as increases in baggage revenue as a result of higher passenger traffic. Terminal area rents have also increased due to additional space acquired by Frontier, Southwest, Delta, Spirit, JetBlue and United.

Ground Transportation Revenue Sources. Ground transportation revenue sources consist of rental car concessions, taxi, shuttle and bus ground transportation revenues, and public parking revenues.

Revenues received by the Authority in connection with rental car services for Airport passengers are the largest source of nonairline revenue at the Airport. The Authority receives privilege fees and rents (associated with ready/return spaces, terminal counter space, and quick turnaround facilities) from rental car companies serving Airport customers. The Authority estimates that the rental car operators operating at the Airport now serve approximately 95% of rental car customers that use the Airport. In February 2015, the Authority approved the extension of current rental car agreements for an additional three years, extending the scheduled termination date from March 31, 2017 to March 31, 2020.

Under the agreements, the rental car operators pay (a) 10% of gross receipts (which are applied to both onsite and offsite operators), however onsite operators must pay the greater of 10% of gross receipts or a minimum annual guarantee calculated each year based on gross receipts for the prior year, with the exception of the first period (b) ready/return space rent on a per space basis, (c) QTA rent, and (d) rent for terminal counters, office, and queuing space. For the period of July 1, 2015 to June 30, 2016, the aggregate minimum annual guarantee is \$63.4 million. QTA facility rent includes ground rent. In addition, rental car operators pay for all operating, utility, maintenance, and service management expenses. The foregoing constitute Revenues under the Bond Resolution.

As previously discussed, rental car customers also pay CFCs. However, such CFCs are not included as part of the Revenues. See "SECURITY FOR THE SERIES 2016 BONDS - Rate Covenant", "AUTHORITY INDEBTEDNESS - CFC Indebtedness", and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date.

Public automobile parking is the third highest source of revenue at the Airport, accounting for \$55 million, or approximately 12% of Operating Revenues, in Fiscal Year 2015. Parking facilities located on the Airport provide 20,310 public automobile parking spaces. The Authority offers three parking options: (a) garage parking located above or adjacent and connected to Terminals A and B (\$17 per day); (b) curbside valet parking (\$25 per day), and (c) economy parking located at remote lots less than one mile from Terminals A and B (\$10 per day). In addition to the public parking spaces, parking revenues are generated from private parking, Hyatt parking and employee parking. When the 2,400 space south garage opens in Fiscal Year 2017, the Authority intends to charge \$13 per day for parking in the south garage and to raise the economy parking rate to \$11 per day. When the South Terminal Complex opens in Fiscal Year 2020, the Authority intends to raise the garage rate to \$18 per day for both the North Terminal Complex and South Terminal Complex.

Public parking facilities at the Airport are operated for the Authority under a management agreement with ABM System Parking, Inc. (formerly Ampco System

Parking). Under the agreement, the Authority receives all revenues and pays most of the costs to operate and maintain the facilities plus a management fee to ABM System Parking, Inc. All other operational costs are included in the management fee. The budget for operating expenses is subject to review by the Authority, which can adjust staffing levels and related costs in response to parking demand and level of service standards. ABM System Parking has been operating under a management agreement with the Authority since 2007. The Authority's current management agreement with ABM System Parking agreement is scheduled to expire on September 30, 2016. However, the Authority has the option to extend the agreement to September 30, 2017.

Ground transportation revenues totaled approximately \$158.2 million in Fiscal Year 2015 compared with approximately \$148.2 million in Fiscal Year 2014 representing additional revenue received from rental car companies, including an increase in garage and satellite parking revenue consistent with the increase in passenger traffic. For the nine months ended June 30, 2016 ground transportation revenues amounted to approximately \$126.0 million compared to \$118.4 million for the nine months ended June 30, 2015 representing an increase of approximately \$7.5 million or 6.3% due to increases in garage and satellite parking revenues as a result of additional passenger traffic. Additional rental car revenue was realized as a result of increases in the minimum annual guarantee for three rental car companies.

Other Buildings and Grounds Revenue Sources. Other buildings and grounds revenues are the fees associated with fixed base operators, cargo apron use, in-flight catering and other building and land rentals. Tenants of buildings and grounds at the Tradeport and other airport areas pay rentals and fees for the use of such buildings and sites. Revenues from these areas amounted to approximately \$17.6 million for Fiscal Year 2015 and approximately \$16.5 million for Fiscal Year 2014, an increase of \$1.2 million or 7.1% primarily due to a settlement amount received from an airline in connection with their operations center lease agreement.

For the nine months ended June 30, 2016, other buildings and grounds revenues amounted to approximately \$13.6 million compared to \$13.2 million for the nine months ended June 30, 2015, representing an increase of approximately \$0.3 million or 2.6%.

Hotel Revenue Sources. Hotel revenues are derived from rooms, food and beverage, telecommunications and other rentals and income from the Hyatt Hotel located at the North Terminal Complex. The hotel is owned by the Authority and operated under a management contract. Hotel revenues totaled approximately \$37.4 million for Fiscal Year 2015 and approximately \$33.2 million for Fiscal Year 2014. The additional revenue in Fiscal Year 2015 is due to an increase in the occupancy rate and increased food and beverage sales. For the nine months ended June 30, 2016 hotel revenue amounted to approximately \$32.0 million compared to \$29.4 million for the nine months ended June 30, 2015 representing an increase of approximately \$2.6 million or 8.8%. Hotel revenues increased primarily due to food and beverage revenue due to higher group

business and local catering events as well as additional room revenue due to higher daily rates and increases in occupancy.

The Hyatt Corporation has operated the hotel since its opening in 1992 under a management agreement with the Authority. The Authority recently approved a new hotel management agreement with the Hyatt Corporation, effective October 1, 2015, that has a 20-year term. Under the new management agreement, the Authority will continue to receive all revenues from the operation of the hotel and will pay all debt service, and operating and maintenance costs associated with its operation. The Authority annually pays Hyatt Corporation a percentage of gross receipts as a management fee, along with certain other amounts. Under the new agreement, the management fee paid to Hyatt Corporation will be 2.75% of gross receipts and pays an additional percentage of available cash flow (10%) above agreed upon amounts as an incentive for the Hyatt Corporation to maximize the hotel's surplus revenues. The agreement also provides that amounts, calculated as 5% of gross receipts, are to be deposited annually into an account for the replacement of furniture, fixtures, and equipment. In addition, the new agreement contains performance tests, which, if failed for two consecutive years, grants the Authority the right to either terminate the management agreement or require Hyatt Corporation to pay a cure amount.

Hotel revenues are forecast to increase as a result of rising occupancy levels and room rate increases.

General - Other Funding Sources

Federal Grants-in-Aid, Passenger Facility Charges, CFCs are among some of the other sources of funding available to the Authority which do not generally constitute Revenues. For more information regarding the Authority's various sources of revenues see "AUTHORITY FINANCIAL INFORMATION" herein.

Applicability of Rate Resolution

The Rate Resolution applies to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms thereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges described or authorized in the Rate Resolution. See "SUMMARY OF CERTAIN PROVISIONS OF THE RATE RESOLUTION AND THE AUTHORITY'S RATE MAKING METHODOLOGY" herein.

Federal Grants-in-Aid

The Airport and Airway Improvement Act of 1982 created the Airport Improvement Program (the "AIP"), which is administered by the FAA and funded by the Airport and Airway Trust Fund. This fund is financed by various federal aviation user taxes. Grants are available to airport operators across the country in the form of "entitlement" funds and "discretionary" funds. Entitlement funds are apportioned annually based upon cargo volume and enplaned passengers, and discretionary funds are available at the discretion of the FAA based upon a national priority system. Actual entitlement funds will vary with the actual number of passenger enplanements and cargo volume, with total appropriations for the AIP and with any revision of the existing statutory formula for calculating such funds. The AIP grant program is subject to periodic reauthorization and appropriation by Congress and the current authorization expires September 30, 2017. In addition, the AIP could be affected by automatic across-the-board spending cuts, known as sequestration. As a result, there can be no assurance that the FAA will receive spending authority and the Authority is unable to predict the level of available AIP funding it may receive. To the extent AIP grants are not available, the Authority may need to defer projects and/or issue revenue bonds to fund them. Pursuant to the PFC Act (defined below) and the Aviation Investment and Reform Act for the 21st Century, an airport's annual Federal entitlement grants are reduced by 50% following the imposition of PFCs at the \$3.00 level and by 75% following imposition at the \$4.00 or \$4.50 level.

In Fiscal Year 2015, the Authority received \$5.7 million in federal grants-in-aid, compared to \$14.0 million in Fiscal Year 2014. No assurance can be given that federal grants-in-aid will actually be received in the amount or at the time contemplated by the Authority. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - FAA Reauthorization and Federal Funding" herein for more information regarding federal grants.

Passenger Facility Charges

As part of the Aviation Safety and Capacity Expansion Act of 1990, as amended from time to time (the "PFC Act"), as implemented by the FAA pursuant to published regulations (the "PFC Regulations"), the United States Congress has authorized certain commercial service airports such as the Airport to collect passenger facility charges ("Passenger Facility Charge" or "PFC") from each eligible passenger enplaned at such airport in the amount of \$1.00, \$2.00, \$3.00, \$4.00 or 4.50, subject to certain limitations, set forth in the regulations promulgated by the FAA implementing the PFC Act. Airport-related projects eligible for PFCs, including a portion of the projects to be financed and the projects to be refinanced with proceeds of the Series 2016 Bonds are those that preserve or enhance capacity, safety or security of the national air transportation system, reduce noise from an airport that is part of the system or provide an opportunity for enhanced competition between or among air carriers or foreign air carriers. "Eligible

airport related projects" include airport development or planning, terminal development, airport noise compatibility measures and planning and construction of gates and related areas (other than restaurants, rental car facilities, automobile parking or other concessions) for the movement of passengers and baggage.

PFCs are collected on behalf of airports by air carriers, certain foreign air carriers and their agents ("Collecting Carriers"). The Collecting Carriers are authorized to withhold, as a collection fee (a) eleven cents per enplaning passenger from whom a PFC is collected and (b) any investment income earned on the amount collected prior to the due date of the remittance. The PFC Act was amended in 1996 to provide that PFC Revenues that are held by a Collecting Carrier constitute a trust fund that is held for the beneficial interest of the eligible agency imposing the fee and that the Collecting Carrier holds neither legal nor equitable interest in the PFC Revenues, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, PFC Regulations require Collecting Carriers to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds in financial statements. The Collecting Carriers, however, are permitted to commingle PFC collections with the carriers' other sources of revenue and are also entitled to retain interest earned on PFC collections until such PFC must be remitted.

PFC applications for specific projects (including debt service on obligations issued to fund such projects) are approved by the FAA in specific total amounts and the Authority may impose the designated PFC only until it collects the authorized total amount. Interest earnings on the collections are treated as collections for purposes of the authorized total. The Authority has imposed the PFC since February 1993. The Authority has received approval from the FAA to collect and use PFCs under 16 applications for a total of approximately \$2.8 billion in collection authority. Through June 30, 2016, PFC Revenues received by the Authority, including investment earnings, totaled approximately \$1.2 billion, of which approximately \$934 million had been expended on approved project costs. The Authority is currently authorized to impose a PFC of \$4.50 per enplaned passenger at the Airport which is presently scheduled to decline to \$3.00 per enplaned passenger when total PFC collections reach \$1.67 billion (estimated to occur in Fiscal Year 2022). However, the Authority currently expects to amend its existing PFC Applications to maintain a collection level of \$4.50 per enplaned passenger. The amendments are expected to provide: (a) a decrease in the approved collection authority for PFC Application 7 and PFC Application 8 in connection with the initial approval to design and construct the South Terminal Complex; and (b) an increase in the approved collection authority for PFC Application 16 as a result of additional eligible costs in connection with the Airside 4 Project. The Authority also plans to modify the plan of finance to include PFC pay-as-you-go funding in addition to PFC supported financing. Additionally, the Authority also expects to submit a new PFC Application 18 to fund ten projects included in the 2016 - 2023 Capital Improvement Program. The fiscal impact is: (a) a reduction totaling \$7,035,674 to the Authority's

approved impose and use authority for PFC Application 7, (b) a reduction totaling \$198,799,091 to the Authority's approved impose and use authority for PFC Application 8, (c) an increase of \$15,000,000 to the Authority's approved impose and use authority for PFC Application 16, and (d) an increase of \$1,315,194,422 in PFC funding related to PFC Application 18. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Cost and Schedule of 2016 - 2023 Capital Improvement Program" and " - Passenger Facility Charges" herein.

Prior to the issuance of the Series 2016 Bonds, the Authority has previously issued nine Series of Bonds, the proceeds of which have financed or refinanced all or a portion of PFC Projects which, in turn, permit the Authority to treat Available PFC Revenues as Revenues under the Bond Resolution and to use Available PFC Revenues to pay Debt Service with respect to the applicable portion of such Bonds. Portions of the 2016 Project constitute eligible airport-related projects for which the Authority is authorized to collect PFCs. See "CAPITAL IMPROVEMENT PROGRAM" herein.

PFCs may be used, subject to applicable regulations, either to pay debt service on all or a portion of bonds secured by PFCs up to a specified amount, or to pay for eligible capital improvements on a pay-as-you-go basis, as specified in the applicable approval. As further described below, and as set forth in detail in "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" attached hereto, PFCs are included in the definition of Revenues for purposes of the Bond Resolution, but only to the extent that PFC Revenues constitute Available PFC Revenues for the applicable period. The term "Available PFC Revenues" is defined to mean PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times Debt Service accruing during such period with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority.

The use of Available PFC Revenues permits the Authority to add to Revenues such PFC Revenues received in the relevant period by an amount equal to the portion of Debt Service and coverage requirements attributable to the portions of the Bonds allocated to finance PFC Projects. To ensure that an amount equal to the amount of Available PFC Revenues deposited in the Revenue Fund is used for permitted uses of PFC Revenues, the Bond Resolution requires the Authority to deposit in the PFC Account established in the Discretionary Fund an amount equal to the difference between (a) the amount of Available PFC Revenues deposited in the Revenue Fund, plus amounts withdrawn from the PFC Account to cure Debt Service deficiencies and Operation and Maintenance Expense deficiencies, and (b) the Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by an Authorized Officer of the Authority. Amounts in the PFC Account not required to cure such deficiencies or to pay such Accrued Aggregate Debt Service may be withdrawn by the Authority at any time and applied by the Authority, in its discretion, for permitted

purposes in accordance with the applicable approvals and authorization of the FAA and applicable regulations. PFC Revenues received in any period in excess of Available PFC Revenues for such period, and PFC Revenues accumulated from earlier periods not constituting Available PFC Revenues for such earlier period, do not constitute Revenues and are not subject to the pledge and lien established by the Bond Resolution.

After the Consent Effective Date, the Available PFC Revenues pledged to Airport Facilities Revenue Bonds outstanding shall continue to be so pledged subsequent to such Consent Effective Date. However, Available PFC Revenues subsequent to the Consent Effective Date shall be utilized in accordance with the Proposed Amended and Restated Bond Resolution, including, in particular, Section 727 thereof and shall no longer be included in Revenues but instead will be used as an offset to the calculation of Debt Service on Bonds allocated to funding PFC Projects. Subsequent to the Consent Effective Date, such Available PFC Revenues can only be pledged to secure Bonds to the extent provided for by an Issuing Instrument pursuant to the Proposed Amended and Restated Bond Resolution. For a summary of the Consent Amendments which include, among other things, substantive changes relating to certain provisions regarding the treatment of PFC Revenues, see "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and Section 1211 of "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto.

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The following table provides a listing of the Authority's PFC applications to date (without giving effect to the proposed amendments to PFC Application 7, PFC Application 8 and PFC Application 16 or the proposed new PFC Application 18), and the collection authority, collections, and expenditures under each.

Passenger Facility Charges⁽¹⁾

Application Number	Collection Authority	Collections through June 30, 2016	Expenditures⁽²⁾ through June 30, 2016
92-01-C-05-MCO (Closed)	\$ 34,100,000	\$ 34,100,000	\$ 34,100,000
93-02-C-01-MCO (Closed)	8,140,000	8,140,000	8,140,000
95-03-C-02-MCO (Closed)	18,638,000	18,638,000	18,638,000
96-04-C-08-MCO (Closed)	58,846,000	58,846,000	58,846,000
98-05-C-05-MCO (Closed)	114,472,000	114,472,000	114,472,000
99-06-C-03-MCO	115,294,000	115,294,000	75,986,000
00-07-C-03-MCO	181,272,000	181,272,000	78,579,000
00-08-C-01-MCO	253,633,000	253,633,000	33,307,000
02-09-C-06-MCO	130,797,000	130,797,000	94,689,000
05-10-C-10-MCO	749,304,000	281,292,000	295,631,000
07-11-C-01-MCO	49,330,000	-	22,273,000
09-13-C-02-MCO	227,788,000	-	33,794,000
11-14-C-01-MCO	28,452,000	-	14,804,000
13-15-C-00-MCO	189,995,000	-	12,912,000
13-16-C-00-MCO	232,500,000	-	1,988,000
14-17-C-00-MCO	396,492,000	-	35,707,000
Total Authority:	\$2,789,050,000	\$1,197,182,000	\$933,866,000

Note: Totals may not add due to rounding.

⁽¹⁾ Expenditures for each application may commence upon notification of the approval of the application. For report purposes, PFC collections are reported as applied to each application in order of the applications until the collection authority amount has been met for each application. As a result of this reporting method, there are allowable expenditures reported for applications that may not show collections directly assigned to them.

⁽²⁾ PFC Application #12 was proposed by the Authority to combine PFC Applications #8 through #11 with no impact on total collection authority.

Source: The Greater Orlando Aviation Authority.

Customer Facility Charges

Pursuant to the CFC Enabling Resolution, the Authority collects a CFC currently equal to \$2.50 per day up to a maximum of five days. The Authority has currently pledged the CFCs as security for the CFC Bonds. While the CFC Bonds are outstanding, CFCs are not included in Revenues under the Bond Resolution. At such time as the CFC Bonds have been retired and any other indebtedness or other amounts payable from CFCs have been paid and prior to the Consent Effective Date, CFCs will then be included in

Revenues and will be available to the Authority for any lawful purpose. See "SECURITY FOR THE SERIES 2016 BONDS - Rate Covenant" and "CFC Indebtedness" herein, "APPENDIX A - REPORT OF AIRPORT CONSULTANT" and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto for more information regarding the use of CFC Revenues and Available CFC Revenues prior to and after the Consent Effective Date

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AUTHORITY FINANCIAL INFORMATION

Debt Service Requirements

Total Debt Service Requirements for Outstanding Bonds⁽¹⁾⁽²⁾

Fiscal Year Ending September 30	Outstanding Airport Facilities Revenue Bonds Debt Service⁽³⁾	Series 2016A Bonds Debt Service	Series 2016B Bonds Debt Service	Series 2016C Bonds Debt Service	Total Aggregate Bonds Debt Service
2017	\$ 112,877,130	\$ 209,333	\$ 5,802,315	\$ 2,561,373	\$ 121,450,152
2018	115,353,279	2,878,904	6,319,097	2,814,346	127,365,626
2019	100,406,824	5,480,000	6,565,400	2,811,333	115,263,557
2020	100,407,658	5,476,500	6,557,900	2,812,296	115,254,354
2021	97,852,772	5,479,500	6,566,400	2,811,681	112,710,354
2022	72,894,964	5,473,500	6,564,900	2,814,584	87,747,948
2023	47,590,249	5,478,750	6,558,650	5,275,388	64,903,037
2024	38,319,925	5,474,500	6,563,850	4,799,419	55,157,694
2025	37,816,229	5,476,000	6,563,350	5,297,935	55,153,514
2026	37,776,782	5,477,750	6,560,550	5,304,457	55,119,538
2027	37,738,086	5,474,500	6,560,050	5,300,309	55,072,945
2028	57,851,887	3,201,250	6,318,550	5,300,447	72,672,134
2029	24,237,250	5,481,250	6,557,800	5,302,630	41,578,930
2030	24,236,119	5,477,250	6,564,050	5,298,111	41,575,530
2031	24,236,325	5,477,750	6,558,050	5,298,578	41,570,703
2032	24,236,119	5,477,250	6,565,050	5,298,616	41,577,035
2033	18,668,750	5,475,500	6,561,250	5,296,032	36,001,532
2034	18,668,750	5,477,250	6,564,000	5,297,089	36,007,089
2035	18,671,500	5,477,000	6,563,250	5,298,927	36,010,677
2036	18,670,500	5,479,500	6,564,500	5,304,924	36,019,424
2037	18,666,000	5,479,250	6,561,500	5,302,990	36,009,740
2038	18,668,650	5,476,000	6,559,000	5,301,556	36,005,206
2039	18,671,800	5,479,500	6,563,750	5,304,013	36,019,063
2040	13,954,050	5,474,000	6,563,750	-	25,991,800
2041	13,955,000	5,474,500	6,560,500	-	25,990,000
2042	13,953,250	5,475,250	6,565,750	-	25,994,250
2043	13,949,250	5,470,750	6,558,500	-	25,978,500
2044	13,946,750	5,470,750	6,563,750	-	25,981,250
2045	13,949,250	5,479,500	6,565,250	-	25,994,000
2046	-	5,481,000	6,562,500	-	12,043,500
Total	\$1,168,225,098	\$154,163,738	\$195,623,212	\$106,207,034	\$1,624,219,081

⁽¹⁾ The Debt Service Requirements are shown for the period in which they accrue and not for the period in which they are paid. Such Debt Service Requirements have not been reduced by payments made out of interest income on the funds deposited into the Debt Service Account pursuant to the Bond Resolution. The Debt Service Requirements shown do not include debt service on Subordinated Indebtedness. See "SECURITY FOR THE SERIES 2016 BONDS - Outstanding Subordinated Indebtedness" herein.

⁽²⁾ Interest reflected for certain Airport Facilities Revenue Bonds is net of capitalized interest.

⁽³⁾ Such debt service takes into account the refunding of the Refunded Bonds.

Source: The Greater Orlando Aviation Authority.

Historical Statement of Revenues and Expenses

The following table presents historical amounts of Revenues and Expenses of the Airport for Fiscal Years 2011 through 2015 and for the nine months ended June 30, 2015 and 2016. These historical amounts relate solely to the Orlando International Airport and do not include revenues and expenses for the Orlando Executive Airport; however, the "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014 " attached hereto present the combined financial position, results of operations and cash flows of Orlando International Airport and Orlando Executive Airport. For more information regarding Authority Revenues and other funding sources see "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein.

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Statement of Revenues, Expenses and Changes in Net Position
Audited Fiscal Years 2011-2015
and the Unaudited Nine Months Ended June 30, 2015 and 2016
(in thousands)

	Fiscal Year Ended September 30					Unaudited Nine Months Ended June 30	
	2011	2012 ⁽¹⁾	2013 ⁽¹⁾⁽²⁾⁽⁵⁾	2014 ⁽⁵⁾	2015	2015	2016
Operating Revenues:							
Airfield Area	\$ 34,008	\$ 34,169	\$ 36,912	\$ 35,211	\$ 38,194	\$ 31,069	\$ 33,756
Terminal Area	137,320	142,623	148,623	163,362	176,404	135,415	148,500
Ground Transportation	138,369	139,138	143,804	148,235	158,248	118,428	125,973
Other buildings and grounds	15,462	16,648	16,134	16,474	17,645	13,231	13,577
Hotel	30,390	31,358	32,385	33,180	37,384	29,405	31,986
Total Operating Revenues	\$ 355,549	\$ 363,936	\$ 377,858	\$ 396,462	\$ 427,875	\$327,548	\$353,792
Operating Expenses							
Operation and Facilities	(112,924)	(117,119)	(116,468)	(115,453)	(127,418)	(96,110)	(99,254)
Safety and Security	(24,338)	(25,341)	(26,380)	(26,796)	(30,175)	(21,612)	(24,823)
Administration	(25,830)	(28,598)	(30,733)	(34,174)	(42,964)	(30,156)	(37,158)
Hotel	(25,776)	(26,174)	(26,425)	(26,604)	(28,168)	(21,527)	(22,808)
Other	(10,106)	(8,404)	(8,626)	(8,400)	(9,042)	(7,127)	(6,780)
	(\$	(\$	(\$				
Total Operating Expenses before depreciation	198,974)	205,636)	208,632)	(\$ 211,427)	(\$ 237,767)	(\$176,532)	(\$190,823)
Operating Income before depreciation	156,575	158,300	169,226	185,035	190,108	151,016	162,969
Depreciation	(116,354)	(117,197)	(117,914)	(117,529)	(117,888)	(88,570)	(90,100)
Operating Income	\$ 40,221	\$ 41,103	\$ 51,312	\$ 67,506	\$ 72,220	\$ 62,446	\$ 72,869
Non-Operating Revenues (Expenses):							
Investment Income	4,439	2,713	2,393	2,061	3,057	1,928	4,473
Net Increase (decrease) in the fair value of investments	(239)	94	(2,971)	1,274	1,861	672	1,755
Interest Expense	(65,403)	(57,670)	(52,980)	(46,569)	(46,606)	(32,525)	(30,875)
Participating Airline Net Revenue Sharing ⁽³⁾	(16,352)	(17,273)	(18,932)	(51,553)	(60,785)	(33,411)	(51,569)
Passenger Facility Charges	70,277	69,151	67,011	67,501	73,016	55,496	61,895
Customer Facility Charges	23,295	23,715	23,169	23,951	25,039	19,135	20,594
Federal and State Grants	1,101	1,918	735	460	167	3,070	2,555
Other	2,856	460	788	371	228	79	(2,098)
Income Before Capital Contributions	\$ 60,195	\$ 64,211	\$ 70,525	\$ 65,002	\$ 68,197	\$ 76,890	\$ 79,599
Capital Contributions ⁽⁴⁾	15,922	24,064	21,693	31,909	32,609	15,380	84,494
					\$		
Increase in Net Position	\$ 76,117	\$ 88,275	\$ 92,218	\$ 96,911	100,806	\$ 92,270	\$164,093
Total Net Position, Beginning of year	1,434,136	1,488,984	1,547,950	1,640,168	1,737,079		
Total Net Position, End of year	\$1,510,253	\$1,577,259	\$1,640,168	\$1,737,079	\$1,837,885		

⁽¹⁾ Interest expense and unrestricted net position have been restated for Fiscal Years 2013 and 2012 as a result of the implementation of GASB 65 in Fiscal Year 2014. Interest expense and unrestricted net position have not been restated for Fiscal Years prior to 2012 due to the fact that the information is not readily available and it is not practical to accumulate the information.

⁽²⁾ Restated.

⁽³⁾ Pursuant to the prior Rate Resolution, effective November 1, 2013, all prior lease and use agreements with the Airlines were terminated. As a result, the Authority no longer maintains information categorizing Airlines as "Signatory" or "Non-Signatory." Data reported as "Participating Airline Net Revenue Sharing" for Fiscal Years 2010 through 2013 reflects amounts paid to Signatory Airlines under the prior lease and use agreements.

⁽⁴⁾ Includes amounts received as grants from federal and state programs.

⁽⁵⁾ Operating expenses and unrestricted net position have been restated for Fiscal Years 2014 and 2013 as a result of the implementation of GASB 68 in Fiscal Year 2015. See "AUTHORITY FINANCIAL INFORMATION - Implementation of GASB 68" herein. Operating expenses and unrestricted net position have not been restated for Fiscal Years prior to 2013 due to the fact that the information is not readily available and it is not practical to accumulate the information.

Source: The Greater Orlando Aviation Authority.

Analysis of Airport Financial Results

Fiscal Year Ended September 30, 2014. The Airport reported operating income of \$67.5 million and income before capital contributions of \$65.0 million. The operating revenues of the Authority increased \$18.6 million in Fiscal Year 2014, or 4.9% from the previous year, due to greater airline, concession, rental car revenues and the implementation of a common use baggage system charge. An increase in operating expenses, before depreciation of approximately \$2.8 million, or 1.3%, from Fiscal Year 2013 to 2014 was primarily due to an increase in baggage handling services costs and safety and security costs incurred as a result of law enforcement officers stationed at security checkpoints. Professional services also increased as a result of the development of an enhanced customer service experience program, services for payment card industry data security standard compliance related programs and additional staff support services.

Fiscal Year Ended September 30, 2015. The Airport reported operating income of \$72.2 million and income before capital contributions of \$68.2 million. The operating revenues of the Authority increased \$31.4 million in Fiscal Year 2015, or 7.9% from Fiscal Year 2014, due to greater airline, hotel, parking and rental car revenues. Participating Airline Revenue increased \$10.6 million or 9.3% primarily due to an increase in baggage system fees that were introduced with the Rate Resolution effective November 1, 2013. Fiscal Year 2015 was the first full year of baggage system fees as compared to only 11 months in the prior Fiscal Year. Federal inspection station and facilities fees increased \$1.2 million consistent with the increase in international passengers. Overall Concession Revenues increased \$2.1 million or 4.2% as a result of an increase in passengers. Ground Transportation revenues increased \$10.0 million or 6.8% primarily due to an increase in rental car company and parking revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$4.2 million or 12.7% increase in hotel revenues. An increase in operating expenses, before depreciation of approximately \$26.3 million, or 12.5%, from Fiscal Year 2014 to 2015 was primarily due to an increase in baggage handling services costs, federal inspection services and other direct support for the increase in international travelers. Safety and security costs increased as a result of additional security staffing for international flights arriving during off hours. In addition, repairs and maintenance projects increased including maintenance on passenger boarding bridges, as well as contractual increases in salaries and benefits and other professional services contributed to the increase in operating expenses. There was also an increase in other professional services primarily due to the implementation of a new Air Service Incentive Plan.

Nine Month Period Ended June 30, 2016 and 2015 (unaudited). The Authority reported operating income of \$72.9 million and income before capital contributions of \$84.5 million for the nine month period ended June 30, 2016, compared to operating income of \$62.4 million and income before capital contributions of \$76.9 million for the nine month period ended June 30, 2015. Operating revenues for the nine month period

ended June 30, 2016 increased approximately \$26.2 million or 8.0% when compared to the nine month period ended June 30, 2015 primarily due to increases in landing, baggage, concession, parking and rental car revenues as a result of increase in passenger activity and the addition of several new airlines in Fiscal Year 2015. Operating expenses, before depreciation, increased approximately \$14.3 million or 8.1% primarily due to increases in information technology for extension of staff and support. In addition, contractual services increased as a result of an agreement with US Customs and Border Protection to pay for overtime hours for agents working inspection stations to meet increased international flights. Administration expenses primarily increased due to increases in professional services to monitor compliance of the expanding number of construction projects.

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Historical Debt Service Coverage

The following table presents the historical debt service coverage for the Outstanding Airport Facilities Revenue Bonds, which does not include the Series 2016 Bonds, pursuant to the Airport Facilities Revenue Bond Resolution for Fiscal Years 2011 through 2015.

Historical Debt Service Coverage Per Bond Resolution Fiscal Years 2011 - 2015 (in thousands, except coverage ratio)

	Fiscal Year Ended September 30				
	2011	2012	2013	2014	2015
Bonds Rate Covenant:					
Revenues Per Bond Resolution ⁽¹⁾	\$393,262	\$396,984	\$463,377	\$418,696	\$450,701
Less: Operations and Maintenance Expenses per Bond Resolution ⁽²⁾	(187,453)	(192,672)	(198,191)	(208,394)	(221,726)
Net Revenues	<u>\$205,809</u>	<u>\$204,312</u>	<u>\$265,186</u>	<u>\$210,302</u>	<u>\$228,975</u>
Less: Required Account Deposits:					
Airport Facilities Operations and Maintenance Reserve Fund	\$ 1,406	\$ 1,064	\$ 1,935	\$ 1,001	\$ 1,978
Airport Facilities Capital Expenditure Fund	-	-	-	-	-
Airport Facilities Renewal and Replacement Fund	-	-	-	-	-
Total Required Account Deposits	<u>\$ 1,406</u>	<u>\$ 1,064</u>	<u>\$ 1,935</u>	<u>\$ 1,001</u>	<u>\$ 1,978</u>
Net Revenues available for Debt Service on Bonds	<u>\$204,403</u>	<u>\$203,248</u>	<u>\$263,251</u>	<u>\$209,301</u>	<u>\$226,997</u>
Debt Service on Bonds	<u>\$120,392</u>	<u>\$119,719</u>	<u>\$161,391</u>	<u>\$101,472</u>	<u>\$105,803</u>
Coverage Ratio for Bonds Rate Covenant (125% required)	1.70	1.70	1.63	2.06	2.15

⁽¹⁾ Revenues are earned by the Airport Facilities Revenue Account, before revenue sharing with airlines required by the Airlines Lease and Use Agreement and on the Rate and Revenue Sharing Agreement, see Note 15 of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as APPENDIX E for more information, plus miscellaneous receipts in the Operations and Maintenance Account.

⁽²⁾ Expenses and encumbrances incurred within the Airport Facilities Operations and Maintenance Account.

Source: The Greater Orlando Aviation Authority.

The following table shows the amounts that would have been available for payment of Subordinated Indebtedness under the Airport Facilities Revenue Bond Resolution for Fiscal Years 2011 through 2015.

**Net Revenues Available for Payment of Subordinated Indebtedness
Fiscal Years 2011 - 2015
(in thousands)**

	Fiscal Year Ended September 30				
	2011	2012	2013	2014	2015
Available Net Revenues for payment of Subordinated Indebtedness:					
Net Revenues	\$204,403	\$203,248	\$263,251	\$209,301	\$226,997
Debt Service on Bonds	120,392	119,719	161,391	101,472	105,803
Available Net Revenues for payment of Subordinated Indebtedness	<u>\$ 85,417</u>	<u>\$ 84,593</u>	<u>\$103,795</u>	<u>\$108,830</u>	<u>\$123,172</u>

Source: The Greater Orlando Aviation Authority.

Implementation of GASB 68

The GASB issued Statement Number 68, Accounting and Financial Reporting for Pensions (as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date), effective for Fiscal Year ended September 30, 2015 ("GASB 68"). These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals and expenses. The requirements of GASB 68 and 71 require an adjustment to eliminate the net pension asset and recognition of a net pension liability for the defined benefit pension plan. See Notes 1 and 8 of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as APPENDIX E.

The financial information included in Statement of Revenues, Expenses and Changes in Net Position for the nine months ended June 30, 2015 and 2016 has been adjusted for the impact of GASB 68, with the exception of any impact for the Authority's share of the net pension liability for the firefighters employed by the Authority all of whom participate in the Florida Retirement System ("FRS"), for the nine months ended June 30, 2016, as this information is not yet available.

Pension and Other Postemployment Benefits

General. The following information contained in this subsection has been extracted from *Notes 1, 8 and 9* of the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as APPENDIX E. For a more detailed discussion and additional

information regarding the Authority's pension plans, and other post-employment benefits refer to the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as APPENDIX E.

Pension Benefits. The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters.

Single-Employer Defined Benefit Pension Plan. The Authority contributes to the Defined Benefit Retirement Plan for Employees of the Greater Orlando Aviation Authority ("DB Plan"), a single-employer retirement plan. The Authority authorizes all employees hired before October 1, 1999, other than firefighters, to participate in the DB Plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries.

The actuarial valuation used for funding determines the annual contribution requirements of the Authority to the DB Plan. The Authority does not require plan members to contribute to the DB Plan.

The actuarial assumptions for Fiscal Years 2014 and 2015 include: (a) rate of return on investments of 7.25% per year, (b) projected salary increases of 5.0%, (c) inflation adjustments of 3.0%, and (d) expense loading is the average of actual expenses over the previous two years. Five-year smoothed market method values DB Plan assets. The Aggregate Actuarial Cost Method determines the DB Plan's actuarial valuation.

As of October 1, 2015, the most recent reported actuarial valuation date, the DB Plan was 90.4% funded. The actuarial accrued liability for benefits was \$131.3 million, and the actuarial value of assets was \$118.7 million resulting in an unfunded actuarial accrued liability ("UAAL") of \$12.6 million. The covered payroll was \$11.6 million, and the ratio of the UAAL to the covered payroll was 108.7%. The following table shows the actuarial value of assets compared to the liability as well as the percentage funded and UAAL as a percentage of covered payroll for Fiscal Years 2013 - 2015.

**Schedule of Funding Progress
(in thousands)**

Actuarial Valuation Date October 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	\$118,658	\$131,258	\$12,600	90.4%	\$11,587	108.7%
2014	\$109,583	\$125,312	\$15,729	87.5%	\$10,709	146.9%
2013	97,405	119,945	22,540	81.2	10,828	208.2

Source: The Greater Orlando Aviation Authority.

The following table shows the annual required contributions as well as the actual percentage contributed for Fiscal Years 2013 - 2015.

**Schedule of Employer Contributions
(in thousands)**

Employer Contributions		
Fiscal Years Ended September 30	Actuarially Determined Contributions (ADC)	Percentage of ADC Contributed
2015	\$6,565	115.2%
2014	6,470	113.8
2013	5,314	100.0

Source: The Greater Orlando Aviation Authority.

Single-Employer Defined Contribution Retirement Plan. The Defined Contribution Retirement Plan of the Greater Orlando Aviation Authority ("DC Plan") is a single-employer retirement plan. The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan has separate accounts for each employee, and investments are self-directed by the employee. The DC Plan provides retirement and death benefits to plan participants and beneficiaries. The Authority contributed \$2.0 million and \$1.8 million for the years ending September 30, 2015 and 2014, respectively.

Multiple-Employer Pension Plans. All firefighters employed by the Authority participate in the FRS, a cost-sharing, multiple-employer defined benefit public retirement plan administered by the Florida Department of Management Services, Division of Retirement. The FRS provides retirement and disability benefits, annual

cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Statutes establish benefit provisions.

Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the Deferred Retirement Option Program ("DROP") participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, were required to make pretax retirement contributions of 3% of their gross salary to the plan.

The employer contribution rate for the Fiscal Year ended September 30, 2015 was 19.82% of each participant's pensionable wages from October 1, 2014 to June 30, 2015 and 22.04% from July 1, 2015 to September 30, 2015. The contribution rate for the Fiscal Year ended September 30, 2014 was 19.06% from October 1, 2013 to June 30, 2014 and 19.82% from July 1, 2014 to September 30, 2014. The contribution rate for the Fiscal Year ended September 30, 2013 was 14.90% from October 1, 2012 to June 30, 2013 and 19.06% from July 1, 2013 to September 30, 2013. The Authority's contributions to the FRS for each of the Fiscal Years ended September 30, 2015, 2014, and 2013 were approximately \$1.0 million, \$0.9 million and \$0.7 million, respectively, which represents the required contributions for each Fiscal Year.

Other Postemployment Benefits and GASB Statement. The Greater Orlando Aviation Authority Healthcare Plan ("GOAAHP") is a single-employer healthcare plan administered by the Authority. The GOAAHP provides postemployment healthcare benefits to those participants who retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its other postemployment benefits ("OPEB") obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed twenty years.

The following table shows the components of the Authority's annual OPEB cost for the Fiscal Years ended September 30, 2015 and 2014, the annual required contribution, and changes in the Authority's net OPEB asset to GOAHP (in thousands):

	2015	2014
Annual required contribution	\$1,773	\$2,073
Interest on net OPEB asset	(402)	(291)
Adjustment to annual required contribution	561	407
Annual OPEB cost	\$1,932	\$2,189
Trust contributions made	(3,024)	(3,890)
Increase in net OPEB asset	(\$1,092)	(\$1,701)
Net OPEB asset - beginning of year	(6,178)	(4,477)
Net OPEB asset - end of year	(\$7,270)	(\$6,178)

The following table shows the actuarial value of OPEB related assets compared to the OPEB liability as well as the percentage funded and UAAL as a percentage of covered payroll.

**Schedule of Funding Progress
(in thousands)**

Actuarial Valuation Date October 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	\$48,628	\$54,963	\$ 6,335	88.5%	\$36,934	17.2%
2014	47,137	54,765	7,628	86.1	35,067	21.8
2013	40,366	54,108	13,742	74.6	34,028	40.4

Source: The Greater Orlando Aviation Authority.

The table below shows the annual required contributions as well as the actual percentage contributed for Fiscal Years 2013 - 2015.

**Schedule of Employer Contributions
(in thousands)**

Employer Contributions		
Fiscal Years Ended September 30	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2015	\$1,773	170.5%
2014	2,073	187.6
2013	2,878	196.0

Source: The Greater Orlando Aviation Authority.

For additional information relating to pension and OPEB expenses of the Authority, see Notes 8 and 9 of the "APPENDIX E - AUDITED FINANCIAL STATEMENTS AND REPORT OF THE INDEPENDENT AUDITORS THEREON FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2015 AND 2014" attached hereto.

Insurance

The Authority currently maintains property insurance for property not insured by others with per occurrence and aggregate limits totaling \$500 million, excess of \$500,000 retention. The property insurance policies contain certain specific sub-limits, and the primary layer contains a self-insured retention of \$100,000 and a maintenance deductible of \$25,000 per occurrence for causes of loss other than named windstorm. The property insurance policies also include coverage for business interruption that pays certain fixed costs, including the annual debt service payments on the Authority's indebtedness, in the event revenues are lost due to damage or loss to an asset. The business interruption coverage is included in the \$500 million aggregate limit and does not have a sub-limit. The Authority maintains a \$250 million aggregate limit for named windstorm(s), excess the \$500,000 retention, with a per location, per occurrence wind deductible. The policy provides open-perils protection as opposed to specifically named-perils protection on a replacement cost basis which includes coverage for boiler and machinery, and loss of business income up to the policy limit per occurrence, with certain sub-limits resulting from a covered property loss, including covered terrorism losses. The Authority currently maintains property insurance with per occurrence limits of \$500 million for terrorism events whether caused by international or domestic persons or organizations. Renovations to existing facilities not insured by others are included as covered losses under the Authority's current property insurance up to limits described herein. The Authority also maintains builders' risk insurance, when required for construction projects

not covered by other property policies. It is expected that property insurance limits may be adjusted in the future, as is prudent in the airport industry and as insurance markets continue to evolve.

The Authority also maintains owner's protective professional and excess liability insurance for certain construction projects, fiduciary liability, public official's liability, auto liability, storage tank, pollution liability, crime, public sector terrorism, and airport owners and operators liability insurance. The Authority's airport liability insurance has a limit of \$1 billion annually including war and related exposures. The Authority maintains workers compensation insurance with statutory limits, which includes a self-insured retention of \$150,000 per occurrence and associated employers' liability insurance. The Authority uses an independent risk management and insurance consultant who assists in designing an insurance program which is in the best interest of the Authority, including evaluation, negotiation and recommendation of coverages and quotations. The risk management consultant also reviews the insurance policies. The coverages and limits described above are effective May 1, 2016 through April 30, 2017.

Environmental Liabilities

The Airport System includes certain polluted sites, primarily from chemical and fuel spills, asbestos, and former landfills pursuant to which the Authority has been named or may in the future be named a responsible or potentially responsible party or where pollution remediation has already commenced, with monitoring being completed as necessary. The Authority recorded a pollution remediation liability for the Airport System, as of September 30, 2015, measured at \$2.1 million, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. For more information, see Note 18 to the Audited Financial Statements and Report of The Independent Auditors Thereon For The Fiscal Years Ended September 30, 2015 and 2014 attached hereto as APPENDIX E.

CAPITAL IMPROVEMENT PROGRAM

In September 2016, the Authority adopted an updated capital improvement program to accommodate existing and forecast passenger demand at the Airport for Fiscal Years 2016 - 2023 (the "2016 - 2023 Capital Improvement Program") based on recommendations in the Airport master plan. The 2016 - 2023 Capital Improvement Program consists of (a) improvements to the existing North Terminal Complex,

(b) projects that will increase multi-modal transportation access at the Airport; mainly through the development of the South APM Complex, (c) a new South Terminal Complex, and (d) other projects to maintain and enhance the Airport. The estimated total aggregate cost of the 2016 - 2023 Capital Improvement Program totals \$3.1 billion, including allowance for inflation. In addition to the 2016 - 2023 Capital Improvement Program, the Authority also undertakes, on an ongoing basis, major maintenance of assets.

The capacity enhancements, renovations and expansion for the North Terminal Complex included in the 2016-2023 Capital Improvement Program are designed to (a) increase the capacity limits of various North Terminal Complex functional elements (e.g., gates, curbs, security checkpoints, baggage, etc.), (b) expedite international processing and (c) improve the overall travel experience. The existing North Terminal Complex provides 93 gates on four airside. The original North Terminal was designed to accommodate 24 million annual passengers ("MAP"), which includes enplaned and deplaned passengers. Following the implementation of at least four significant rounds of capacity expansion projects approved in 1997, 2000, 2002 and 2008, the North Terminal Complex is now estimated to provide a capacity of 40 MAP, and may be stressed to serve up to 45 MAP. In Fiscal Year 2015, the Airport handled 37.7 MAP and reached 40.7 MAP on a rolling 12 month basis in June 2016. The capacity enhancements, renovations, and expansion for the North Terminal Complex included in the 2016 – 2023 Capital Improvement Program are designed to increase its capacity to 45 MAP.

The first phase of the South Terminal Complex will include a 16 swing gate facility to accommodate both international and domestic air traffic. (The 16 gates at the South Terminal Complex are designed for 8 narrow body aircraft gates, 5 Multiple Aircraft Ramp System gates (the "MARS Gates"), and 3 Group VI aircraft gates (Boeing 747-8 and Airbus 380). The MARS Gates have 2 jetways and can accommodate 2 narrow body aircraft at a time. The 16 gates could accommodate 21 narrow body equivalent aircraft.) The terminal is designed to facilitate narrow body aircrafts as well as larger aircrafts such as the Airbus A380 and Boeing 747-8. The approximate building area is 835,000 square feet, consisting of four levels that will house all of the necessary features required to operate a terminal. Some of the features include baggage handling systems, concession areas, a food court, passenger holdrooms, a sterile corridor system, passenger boarding bridges, emergency generators, moving walkways and operations centers. Apron and taxiway paving and lighting will also be included along with an aircraft fuel hydrant system. Sterile corridors connecting the gates to the Federal Inspection Services in the landside terminal will be located on the level below the departures level.

The 2016 - 2023 Capital Improvement Program consists of on-going and future projects in varying stages of execution. The actual timing of construction or implementation of projects will depend on the achievement of forecast demand or other

justification of need, and the receipt of required environmental and other regulatory approvals. The 2016 - 2023 Capital Improvement Program is expected to be funded through a combination of the proceeds of Outstanding and Additional Bonds, Federal grants in aid, PFC Revenues, Subordinated Indebtedness, and other Airport funds. The Authority may elect to defer, or to change, the funding plan for any of the projects.

The following table provides a summary of the Authority's current expectations regarding the funding sources for the various portions of the 2016 - 2023 Capital Improvement Program (in thousands).

AIP Grants	Non-AIP Grants	Authority Funds	PFC Revenues (pay-as- you-go)	Outstanding Bonds (payable from Available PFC Revenues)	Additional Bonds (payable from Available PFC Revenues)	Outstanding Bonds (payable from Net Revenues)	Additional Bonds (payable from Net Revenues)	Additional Subordinated Indebtedness	Other	Total:
\$63,792	\$140,425	\$159,968	\$369,750	\$192,808	\$647,414	\$131,474	\$578,525	\$481,546	\$241,274	\$3,035,690

Source: Greater Orlando Aviation Authority as of August 2016.

The Authority's 2016-2023 Capital Improvement Program does not include the costs to design, permit, or construct a \$220 million ITF. The ITF station will be constructed by the Authority, with funding of \$211 million of project costs being provided by the FDOT and an \$8.7 million capital contribution from FECI, the parent company of AAF. However, under the JPA, the Authority is required to reimburse FDOT for \$52.7 million of the costs associated with those portions of the ITF that are related to the passenger rail service. Under the JPA, the Authority's obligation to reimburse FDOT \$52.7 million must be paid over a period of 18 years with no interest commencing January 1, 2020, and the balance will be a grant. The obligation to reimburse FDOT constitutes Subordinate Indebtedness under the Airport Facilities Revenue Bond Resolution. For more information on the ITF, see "SECURITY FOR THE SERIES 2016 BONDS - Outstanding Subordinated Indebtedness - *FDOT Indebtedness*" and "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" herein.

The South APM Complex, along with the ITF, which is being constructed adjacent to the South APM Complex, include infrastructure improvements that could accommodate at least three rail systems: (1) the South APM station that connects to the [North Terminal Complex](#), (2) the AAF passenger train service between Miami and Orlando being developed by FECI that is expected to be operational in mid-2018, and (3) SunRail, Central Florida's commuter rail line that is expected to connect four counties and span 61.5 miles with a future connection to the Airport

The Authority is currently in discussions with a company that has proposed to develop a 12.8 mile privately-funded light rail system from the Airport to the Orlando County Convention Center and International Drive. The South APM Complex and ITF

include infrastructure improvements that could accommodate this fourth rail system. No Authority or public funding is envisaged for the light rail project. The project proponent will take all the risks for the capital and operating costs of the system and has completed a ridership and revenue forecast report. Although no agreement has been reached at this time, it is the Authority's intention that the fees charged to the project proponent would be established in a manner to recover most, if not all, estimated revenues to be paid by rental car, taxi, limo, and shuttle operators to the Authority resulting from passengers shifting from these modes of ground transport to the proposed light rail system operation. The implementation schedule for this project is uncertain at this time, but the project proponent has indicated their eagerness to move forward as quickly as possible upon securing all approvals, including those from the Authority.

The 2016 Project

The 2016 Project, which was funded in part from proceeds of the Series 2015A Bonds, consists of five different projects, which are in various stages of completion. Construction on the ticket lobby improvements began in Fiscal Year 2015 and substantial completion is expected to occur in October 2017. Construction on the Airside 4 improvements began in Fiscal Year 2015 and substantial completion is expected to occur in November 2017. Design for the Airside 1 & 3 APM began in Fiscal Year 2014, construction began in October 2015 and substantial completion is expected to occur in March 2018. Construction on the South APM Complex began in Fiscal Year 2015 and substantial completion is expected to occur in August 2017. Construction of the Loop Road improvements is expected to begin mid-2017 with substantial completion expected to occur in late 2017. A portion of the proceeds of the New Money Bonds will provide the remaining moneys necessary to fund the 2016 Project.

For more information regarding the Authority's various sources of funding, including Revenues and grants, see "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges," "AUTHORITY FINANCIAL INFORMATION," "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS" and "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" herein.

The Authority reassesses its capital needs at least annually and will modify the 2016 - 2023 Capital Improvement Program as necessary to accommodate demand-driven traffic activity, security needs, and other factors, which could result in increases or decreases to the 2016 - 2023 Capital Improvement Program, or extend or accelerate the timing to complete certain projects. See "CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS - Capacity of the Airport; Costs and Schedule of 2016 - 2023 Capital Improvement Program" herein.

REPORT OF THE AIRPORT CONSULTANT AND RATE COVENANT FORECAST

The Report of the Airport Consultant is included as APPENDIX A attached hereto. References made herein to the Report of the Airport Consultant are made to the entire report which should be read in its entirety, and which contains material information, forecasts, findings, assumptions, and conclusions concerning the Airport System. The Report of the Airport Consultant contains certain "forward-looking statements" concerning the Authority's operations, performance and financial condition, including the Authority's future economic performance, plans and objectives and the likelihood of success in developing and expanding the Airport. These statements are based upon a number of assumptions and estimates which are subject to uncertainties, many of which are beyond the control of the Authority.

The Report of the Airport Consultant presents certain Airline traffic and financial forecasts for Fiscal Years 2016 through 2023 and sets forth the assumptions upon which the forecasts are based. Although the forecast period prescribed by the additional bonds test under the Airport Facilities Revenue Bond Resolution extends through Fiscal Year 2021, due to the magnitude of the expected Additional Bonds to be issued to fund the 2016-2023 Capital Improvement Program and at the direction of the Authority the forecast period in the Report of the Airport Consultant extends through Fiscal Year 2023 to reflect two full years beyond the expected completion of the South Terminal Complex as described below.

The financial forecasts are based on certain assumptions that were provided by, or reviewed and agreed to by Authority management. The Airport Consultant is of the opinion that such assumptions provide a reasonable basis for the forecasts.

The following table, which has been extracted from the Report of the Airport Consultant, shows forecast Net Revenues Available for Debt Service, net Debt Service Requirements on Bonds and Subordinated Indebtedness, and debt service coverage on Bonds and total indebtedness. The forecast indicates compliance with the rate covenant under the Airport Facilities Revenue Bond Resolution for each Fiscal Year of the forecast period, including years after which the Consent Amendments are expected to be in effect.

Forecast Rate Covenant Compliance
(in thousands, except Coverage)
(for the 12 months ending September 30)

Airport Facilities Revenue Bonds							Subordinated Indebtedness			
Fiscal Year	Net Revenues	Less Fund Deposit Requirements	Net Revenues Available for Debt Service ⁽¹⁾	Total Debt Service ⁽²⁾	Less Committed PFC Revenues ⁽³⁾	Net Debt Service	Debt Service Coverage	Net Available Revenues	Priority Subordinated Indebtedness ⁽⁴⁾	Debt Service Coverage
	A	B	A-B=C	D	E	D-E=F	=C/F	A-F=G	H	=G/H
2016	230,577	(3,054)	227,523	115,455	-	115,455	1.97	115,122	15,402	7.47
2017	259,118	(4,555)	254,563	129,910	-	129,910	1.96	129,207	7,558	17.09
2018	208,263	-	208,263	148,053	(51,678)	96,375	2.16	111,889	7,557	14.81
2019	212,948	-	212,948	150,038	(65,635)	84,404	2.52	128,545	9,195	13.98
2020	204,907	-	204,907	177,137	(66,891)	110,246	1.86	94,661	36,774	2.57
2021	202,638	-	202,638	176,764	(66,882)	109,882	1.84	92,756	36,849	2.52
2022	187,552	-	187,552	151,808	(66,890)	84,919	2.21	102,633	36,906	2.78
2023	188,247	-	188,247	136,575	(66,889)	69,686	2.70	118,561	44,751	2.65

⁽¹⁾ Includes Available PFC Revenues and is net of deposits to the O&M Reserve Account until the Consent Effective Date (estimated to occur in Fiscal Year 2018).

⁽²⁾ Includes actual debt service on all Outstanding Airport Facilities Revenue Bonds (through the Series 2015A Bonds), and estimated debt service on the New Money Bonds and the other future bonds (as provided by Raymond James & Associates, Inc., as one of the financial advisors to the Authority), net of capitalized interest. Does not reflect any potential savings from a refunding of the Refunded Bonds.

⁽³⁾ Reflects the revised treatment of Available PFC Revenues and PFC eligible debt service as an offset to Debt Service instead of inclusion in Revenues upon the Consent Effective Date (estimated to occur in Fiscal Year 2018).

⁽⁴⁾ Includes actual debt service on all outstanding Subordinated Indebtedness plus projected debt service on other priority Subordinated Indebtedness for amounts expected to be issued for the South Terminal Complex.

Source: Debt service: Greater Orlando Aviation Authority and Raymond James & Associates, Inc.
Net Revenues, Net Available Net Revenues, and coverage: LeighFisher.

CERTAIN FACTORS AFFECTING THE AIR TRANSPORTATION INDUSTRY AND OTHER CONSIDERATIONS

The information in this section describes certain factors affecting the air transportation industry and other considerations which may impact the payment of or security for outstanding Airport Facilities Revenue Bonds, including the Series 2016 Bonds. The following discussion is not meant to be an exhaustive list of the factors affecting the air transportation industry and other considerations which may impact the payment of or security for the Series 2016 Bonds and does not necessarily reflect the relative importance of the various factors. Investors are advised to consider the following factors along with all other information described in this Official Statement or incorporated by reference herein when evaluating the Series 2016 Bonds.

General Economic and Political Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. Past recessions in the U.S. economy and associated high unemployment reduced discretionary income and negatively impacted airline travel demand. With the globalization of business and the increased importance of international trade and tourism, the U.S. economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, trade balances, currency exchange rates, political relationships, and hostilities all influence passenger traffic at major U.S. airports. Sustained future increases in passenger traffic at the Airport will depend on stable international conditions as well as national and global economic growth. Traffic at the Airport is also sensitive to growth in the population and fluctuations in the local economy of the area served by the Airport.

Financial Health of the Airline Industry

The ability of the Authority to generate revenues depends, in part, upon the financial health of the aviation industry. The economic condition of the industry has historically been volatile, and the aviation industry has undergone significant changes, including mergers, acquisitions, bankruptcies and closures in recent years. Further, the aviation industry is sensitive to a variety of factors, including the cost and availability of labor, fuel, aircraft, supplies and insurance; general economic conditions; international trade; currency values; competitive considerations, including the effects of airline ticket pricing; traffic and airport capacity constraints; governmental regulation, including security regulations and taxes imposed on airlines and passengers, and maintenance and environmental requirements; passenger demand for air travel; strikes and other union activities; availability of financing; and disruptions caused by airline accidents, criminal incidents and acts of war or terrorism.

Due to the discretionary nature of business and personal travel spending, airline passenger traffic and revenues are influenced by the state of the national economy (see the factors discussed in " - General Economic and Political Conditions" above), other regional and world economies, business profitability, security concerns and other factors. Significant structural changes to the airline industry have occurred in recent years, including reducing or eliminating service on unprofitable routes, reducing airline work forces, implementing pay cuts, streamlining operations and merging with other airlines. Airfares have become easier to compare, which has made pricing and marketing among airlines more competitive. The price of fuel has been a significant cost factor for the airline industry and affects airline earnings. Fuel prices are particularly sensitive to worldwide political instability, economic uncertainties and increased demand from developing economies, production disruption, regulations and weather. Material and prolonged changes in the costs of aviation fuel may have an adverse impact on air transportation industry profitability.

The aviation industry is cyclical and subject to intense competition and variable demand. The airlines are vulnerable to fuel price spikes, labor activity, recession and external shocks (such as terrorism, pandemics, military conflicts and natural disasters). As a result, airline financial performance can fluctuate dramatically from one reporting period to the next. The Authority makes no representation with respect to the continued viability of any of the carriers serving Airport, airline service patterns, or the impact of any airline failures on Revenues.

Availability and Price of Aviation Fuel

The price of aviation fuel is a critical and uncertain factor affecting airline operating economics. Fuel prices are particularly sensitive to worldwide political instability and economic uncertainty. Aviation fuel prices will continue to affect airfares, passenger numbers, airline profitability, and the ability of airlines to provide service. Airline operating economics will also be affected as regulatory costs are imposed on the airline industry as part of efforts to reduce aircraft emissions contributing to global climate change.

In recent years, fuel prices have been relatively stable, partly as a result of increased supply from U.S. domestic production, although political instability and conflicts in North Africa and the Middle East have contributed to volatility. The Authority makes no representation whether fuel prices will continue relative stability or if volatility will increase.

Airline Industry Consolidation, Competition and Airfares

The airline industry continues to evolve as a result of competition and changing demand patterns and it is possible that airlines serving the Airport could consolidate operations through acquisition, merger, alliances, and code share sales strategies. Many major domestic airlines have joined with other major domestic airlines. Depending on which airlines serving the Airport, if any, merge or join alliances, the result may be fewer flights by one or more airlines, which decrease could be significant. Such decreases could result in reduced Revenues, reduced PFC revenue collections and increased costs for the airlines serving the Airport. It is not possible at this time to predict the effect on gate usage at the Airport, or the corresponding impact on Revenues, PFC revenue collections or airline costs, as a result of unknown potential airline consolidations.

Airline fares including ancillary fees have an important effect on passenger demand, particularly for relatively short trips for which the automobile and other travel modes are potential alternatives, and for price-sensitive "discretionary" travel. The price elasticity of demand for airline travel increases in weak economic conditions when the disposable income of potential airline travelers is reduced. Airfares are influenced by airline capacity and yield management; passenger demand; airline market presence; labor, fuel, and other airline operating costs; taxes, fees, and other charges assessed by

governmental and airport agencies; and competitive factors. Future passenger numbers, both nationwide and at the Airport, will depend, in part, on the level of airfares.

In 2015, the U.S. Department of Justice (the "DOJ") initiated a civil anti-trust investigation and requested airlines to provide documents and information from the prior two years relating to seating capacity. By limiting the number of flights offered, airlines allegedly could restrain competition and raise fares. The DOJ inquiry remains active; what effect, if any, this investigation will have on airlines and the industry as a whole is not currently determinable.

Growth of Low Cost Carriers

Low cost carriers ("LCCs") are carriers that take advantage of an operating cost structure that is significantly lower than the cost structure of the network carriers. These advantages can include lower labor costs, greater labor flexibility, a streamlined aircraft fleet (i.e., fewer different types of aircraft in a given airline's fleet) and a generally more efficient operation. These low costs suggest that the LCCs can offer a lower fare structure to the traveling public than network carriers while still maintaining profitability.

As the larger U.S. carriers consolidated and became more focused on capacity discipline, fare increases took hold. LCCs began to emerge in larger markets where passenger levels were high enough for the LCCs to overcome certain barriers to entry caused by the larger carriers such as, for example, control of the majority of airport gates and slots. The cost structure of LCCs allows for lower fares, which has stimulated traffic and driven LCCs into more and larger markets. One result of the consolidation of carriers and their capacity discipline and the associated fare increases is that certain price-sensitive travelers are flying less. Recently, these budget conscious flyers have emerged as an underserved segment which has helped to expand the LCC market to include the ultra-low cost carriers, such as Allegiant Airways and Spirit Airlines. See "THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM - Airline Market Shares" herein for more information about historical Airline market shares at the Airport.

Aviation Safety and Security Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of international hostilities, terrorist attacks, increased threat levels and world health concerns, may influence passenger travel behavior and airline travel demand. Anxieties about the safety of flying and the inconveniences and delays associated with security screening procedures lead to both the avoidance of travel and the switching from air to surface modes of transportation for short trips.

Historically, airline travel demand has recovered after temporary decreases stemming from terrorist attacks or threats, hijackings, aircraft crashes, public health and safety concerns, and international hostilities.

Airline Service and Routes

Most large airports serve as gateways to their communities and as connecting points. The number of origin and destination passengers at an airport depends on the intrinsic attractiveness of the region as a business and leisure destination, the propensity of its residents to travel, and the airline fares and service provided. The number of connecting passengers, on the other hand, depends entirely on the airline service provided. The network airlines have developed hub-and-spoke systems that allow them to offer high-frequency service in many city-pair markets. Because most connecting passengers have a choice of airlines and intermediate airports, connecting traffic at an airport depends on the route networks and flight schedules of the airlines serving that airport and competing hub airports. However, most passengers at the Airport are originating or completing their journeys rather than connecting between flights.

The United States has pursued a policy of open skies civil aviation relationships with our international partners since 1992. The U.S. has signed more than 100 open skies agreements ("Open Skies Agreements") with various countries and the European Union since that time. Open Skies Agreements eliminate certain government interference in the commercial decisions of air carriers about routes, capacity, and pricing, freeing carriers to provide more affordable, convenient, and efficient air service for consumers.

In 2015, American Airlines, Delta Air Lines, and United Airlines claimed that two state-owned airlines based in the United Arab Emirates (Emirates and Etihad Airways) and one in Qatar (Qatar Airways) (collectively, the "Gulf Carriers") have funded their rapid expansion into U.S. airports through large subsidies from their respective government owners and that U.S. airlines cannot compete without intervention by the U.S. government. These U.S. airlines are joined in their objection by their respective employee labor unions, certain political leaders, and other interested parties. The remedy sought is to limit the access of the Gulf Carriers into the U.S. markets, thereby limiting the ability of the Gulf Carriers to expand service into markets already served by those carriers including the Airport.

The Gulf Carriers have denied the accusations, disputed several claims by the U.S. airlines, and explained the investments made by their shareholders who, in some instances, are their national governments. The Gulf Carriers are supported in their position by certain other U.S. carriers (including FedEx, jetBlue Airways and Hawaiian), certain political leaders, and other interested parties (including the Airports Council International - North America, the Business Travel Coalition, and the Authority).

In response to these claims, the U.S. DOT opened a federal docket to accept comments on the subject. The comment period has ended and to date, the U.S. DOT has offered no indication on potential next steps. The filings will be jointly reviewed by the U.S. Commerce, State, and Transportation departments.

At this time it is not known what, if any, action the U.S. DOT will take on this issue or the implications on future additional service to the Airport by the Gulf Carriers. If the U.S. DOT complies with the demands of American Airlines, Delta Air Lines and United Airlines, new air service direct to Orlando by Gulf Carriers could be limited. The only service by the Gulf Carriers to the Airport as of the date of this Official Statement is the existing Emirates flight to Dubai.

Capacity of the National Air Traffic Control System

Demands on the national air traffic control system have, in the past, caused delays and operational restrictions affecting airline schedules and passenger traffic. The FAA is gradually implementing its Next Generation Air Transport System air traffic management programs to modernize and automate the guidance and communications equipment of the air traffic control system and enhance the use of airspace and runways through improved air navigation aids and procedures. In recent years, airline traffic delays have decreased as a result of reduced numbers of aircraft operations, but, as airline travel increases in the future, flight delays and restrictions may be expected.

Capacity of the Airport; Cost and Schedule of 2016 - 2023 Capital Improvement Program

In addition to any future constraints that may be imposed by the capacity of the national air traffic control system, future growth in airline traffic at the Airport will depend on the capacity at the Airport itself. The estimated costs of and the projected scheduled for the 2016 - 2023 Capital Improvement Program and any other projects planned by the Authority are subject to a number of uncertainties. The ability of the Authority to complete such projects may be adversely affected by various factors including, without limitation: (a) estimating errors, (b) design and engineering errors, (c) changes to the scope of the capital improvements, (d) delays in contract awards, (e) material and/or labor shortages, (f) unforeseen site conditions, (g) adverse weather conditions, (h) contractor defaults, (i) labor disputes, (j) unanticipated levels of inflation, (k) litigation, (l) delays in permitting and (m) environmental issues. No assurance can be given that any portion of the 2016 - 2023 Capital Improvement Program will not cost more than currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing the Airport. Construction of large projects at airports also involves the risk of disruption of ongoing operations and a resultant reluctance on the part of passengers and airlines to use the Airport. See "CAPITAL IMPROVEMENT PROGRAM" herein.

Regulations and Restrictions Affecting the Airport

The operations of the Airport are affected by a variety of contractual, statutory and regulatory restrictions and limitations including extensive federal legislation and regulations, including, without limitation, the provisions of the Transfer Agreement, the Rate Resolution, Revenue Sharing Agreements, the federal acts authorizing the imposition, collection and use of PFC revenues and extensive federal legislation and regulations applicable to all airports in the United States.

It is not possible to predict whether future restrictions or limitations on operations at or affecting the Airport will be imposed, whether future legislation or regulations will affect anticipated federal funding or passenger facility charge collections for capital projects for the Airport or whether such restrictions or legislation or regulations would adversely affect Revenues.

Passenger Facility Charges

Termination of PFCs. The Authority's legal authority to impose and use PFCs is subject to certain terms and conditions provided in the PFC Act, the PFC Regulations and each PFC application. If the Authority fails to comply with these requirements, the FAA may take action to terminate or to reduce the Authority's legal authority to impose or to use PFCs. Some of the events that could cause the Authority to violate these provisions are not within the Authority's control. In addition, failure to comply with the provisions of certain federal aviation noise acts may lead to termination of the Authority's authority to impose PFCs. Further, the FAA may terminate the Authority's ability to collect PFCs to support payment of debt service on any Airport Facilities Revenue Bonds attributable to PFC Projects on the fifth anniversary of the completion of formal termination proceedings.

Amendments to PFC Act or PFC Regulations. There is no assurance that the PFC Act will not be repealed or amended or that the PFC Regulations will not be amended in a manner that would adversely affect the Authority's ability to collect and use PFC Revenues in an amount sufficient to deposit Available PFC Revenues for payment of principal and interest on the Airport Facilities Revenue Bonds.

Collection of the PFCs. The ability of the Authority to collect sufficient PFCs depends upon a number of factors including the operation of the Airport by the Authority, the use of the Airport by Collecting Carriers, the efficiency and ability of the Collecting Carriers to collect and remit PFCs to the Authority and the number of enplanements at the Airport. The Authority relies upon the Collecting Carriers' collection and remittance of PFCs, and both the Authority and the FAA rely upon the Airlines' reports of enplanements and collection statistics.

If the numbers of enplaned passengers at the Airport is significantly below the numbers forecast by the Airport Consultant in projecting annual PFC Revenues, if the collection fees retained by the Collecting Carriers are increased or if the PFC Act is amended, the amount of PFC Revenues actually collected by the Authority each year will be less than the amount projected and accordingly, Available PFC Revenues may be less than the amount sufficient to enable the Authority to pay Debt Service on that portion of the Airport Facilities Revenue Bonds issued to finance PFC Projects. In such event other Revenues would be required to pay Debt Service on that portion of the Airport Facilities Revenue Bonds issued to finance PFC Projects. Such debt service can be included in the applicable airline rate base. On the other hand, if the number of annual enplanements is higher than initially projected or if the rate of PFCs is increased above the level described in "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein, the Authority will collect PFC Revenues faster than initially forecast. The Authority will have to manage its PFC program carefully in such event and balance its expenditures with its collecting rates to ensure that sufficient Available PFC Revenues will be available in later years to pay debt service attributable to the Airport Facilities Revenue Bonds.

The Authority's ability to pay the principal of, premium, if any, and interest on the Airport Facilities Revenue Bonds depends, in part, upon the timely receipt by the Authority of PFC Revenues, and the amount of PFC Revenues received annually by the Authority depends largely upon the Authority's ability to implement and complete PFC Projects and upon the number of enplanements at the Airport each year. The level of enplanements, in turn, depends upon a number of economic and other factors that are not within the Authority's control. See "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Passenger Facility Charges" and "Customer Facility Charges" herein for a description of the authority to impose and use PFCs.

No assurance can be given that PFC Revenues will actually be received in the amounts and at the times necessary to provide sufficient Available PFC Revenues in each relevant period, or to fund elements of the Authority's capital improvement program anticipated to be funded with PFC Revenues. The actual amount of PFC Revenues collected, and the rate of collection, will vary depending on the PFC level at the Airport and the actual number of eligible enplaned passengers at the Airport. If PFC Revenues received in any applicable period are less than 1.25 times Debt Service accruing in such period on Airport Facilities Revenue Bonds allocated to financing PFC Projects, the shortfall will have to be provided from other sources of Revenues.

FAA Reauthorization and Federal Funding

In February 2012, the most recent authorization and funding for the FAA was approved under the FAA Modernization and Reform Act of 2012 (the "FAA Reauthorization Act") which was scheduled to expire on September 30, 2015. However,

on September 29, 2015 the U.S. Congress passed, and on September 30, 2015 the President signed into law, an extension of the FAA Reauthorization Act, which expired on July 15, 2016 (the "2015 Extension"). On July 6, 2016, the U.S. Senate and House of Representatives agreed to an additional 14 month extension of the FAA Reauthorization Act (the "2016 Extension"). The 2016 Extension was signed into law by the President on July 15, 2016.

The FAA Reauthorization Act retained the federal cap on PFCs at \$4.50 and authorized \$3.35 billion per year for AIP through federal Fiscal Year 2015, which is \$150 million per year less than the funding level for the preceding five years. The 2015 Extension provided \$1.675 billion in AIP funding, which is half of the \$3.35 billion per federal Fiscal Year provided under the FAA Reauthorization Act. The AIP provides federal capital grants to support airport infrastructure through entitlement grants (determined by formulas based on passenger, cargo, and general aviation activity levels) and discretionary grants (allocated on the basis of specific set-asides and the national priority ranking system). The Authority is unable to predict the level of AIP funding at this time. If there is a reduction in the amount of AIP grants awarded to the Authority for the Airport, it could: (a) increase by a corresponding amount the capital expenditures that the Authority would need to fund from other sources (including operating revenues, and Airport Facilities Revenue Bonds and Subordinated Indebtedness proceeds), (b) extend the timing to complete certain projects, or (c) reduce the scope of individual proposed projects or the overall program, or a combination of the foregoing. See "INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES - Federal Grants-In-Aid" herein for more information regarding federal grant funding received by the Authority.

Over the years, the authorization and funding for the FAA and various components of its operations have not been consistently approved on a long-term basis. Prior to approval of the FAA Reauthorization Act, Congress enacted more than 20 continuing resolutions which provided temporary funding for the FAA and its programs, similar to the 2015 Extension. Also during that time, the FAA endured a brief shutdown when a lapse in continuing authority terminated funding for non-essential operations. Failure of Congress to approve legislation reauthorizing the operating authority of the FAA, or adverse changes in the conditions placed on such authority, may have an adverse impact on Airport operations. There can be no assurance that Congress will enact and the President will sign a new comprehensive, long-term FAA reauthorization act before the 2016 Extension expires. Failure to adopt such legislation could have a material, adverse impact on U.S. aeronautical operations and the Airport, generally, as well as on the AIP grant program and other sources of federal funds.

Availability of Airline Financial and Operating Data

Certain of the Airlines or their parent corporations, are subject to the information reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), and

as such are required to file periodic reports, including financial and operational data, with the SEC. All such reports and statements may be inspected in the Public Reference Room of the SEC at Room 1024, Judiciary Plaza, 450 Fifth Street, NW, Washington, DC 20549, and at the SEC's regional offices at the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661 2511 and 233 Broadway, New York, NY 10279. Copies of these reports and statements also may be obtained from the Public Reference Section of the Commission at 450 Fifth Street, NW, Washington, DC 20549, at prescribed rates. The SEC maintains a website at <http://www.sec.gov> containing reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. In addition, each domestic airline is required to file periodic reports of financial and operating statistics with the U.S. DOT. These reports are typically available at the websites of the individual airlines and may be inspected at the following location: Department of Transportation, Research and Special Programs Administration, Office of Airlines Statistics at Room 4125, 400 7th Street, SW, Washington, DC 20590, and copies of the reports may be obtained from the U.S. DOT at prescribed rates.

Neither the Authority nor the Underwriters undertake any responsibility for and make no representations as to the accuracy or completeness of the content of information available from the SEC or the U.S. DOT as discussed in the preceding paragraph, including updates of such information or links to other Internet sites accessed through the SEC's website.

Structural Changes in the Travel Market

Many factors have combined to alter consumer travel patterns. The threat of terrorism against the United States remains high. As a result, the federal government has mandated various security measures that have resulted in new security taxes and fees and longer passenger processing and wait times at airports. Both add to the costs of air travel and make air travel less attractive to consumers relative to ground transportation, especially to short-haul destinations. Additionally, consumers have become more price-sensitive. Capacity reductions by the Airlines which improve airline profitability have reduced seat availability resulting in higher fares. In addition, the availability of fully transparent price information on the internet now allows quick and easy comparison shopping, which has changed consumer purchasing habits. Consumers have shifted from purchasing paper tickets from travel agencies or airline ticketing offices to purchasing electronic tickets over the internet. This has made pricing and marketing even more competitive in the U.S. airline industry. Finally, smaller corporate travel budgets, combined with the higher time costs of travel, have made business customers more amenable to communications substitutes such as tele- and video-conferencing.

Forward Looking Statements

This Official Statement contains certain "forward-looking statements" concerning the Authority's operations, performance and financial condition, including the Authority's future economic performance, plans and objectives and the likelihood of success in developing and expanding the Airport. These statements are based upon a number of assumptions and estimates which are subject to uncertainties, many of which are beyond the control of the Authority. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

LITIGATION

There is not now any litigation pending or, to the knowledge of the Authority, threatened, which if successful would have the effect of restraining or enjoining the issuance or delivery of the Series 2016 Bonds or questioning or affecting the validity of the Series 2016 Bonds or the proceedings and authority under which they are to be issued. The Authority is currently engaged in certain litigation, the outcome of which would not be expected to have any material adverse effect on the issuance and delivery of the Series 2016 Bonds or any of the revenues pledged to the payment thereof. In addition, the Authority is currently engaged in the litigation noted below:

Litigation with VIAD Corp., Aircraft Service International, Inc. et. al. This litigation relates to insurers' denial of coverage with respect to the costs of the assessment and remediation of environmental contamination on Airport property that was originally leased to Aircraft Service International, Inc. ("ASII") from 1984 to 1999, and subsequently, since 1999 has been leased to Galaxy Aviation ("Galaxy"), through an assignment from ASII, who in turn subleased a portion of the premises at issue back to ASII. Specifically, ASII and VIAD Corp. ("VIAD") filed a complaint against Lloyd's of London Insurance Company ("Lloyds") and Royal Surplus Lines ("Royal"), which has been amended to also sue Equitas Insurance Limited, relating to these insurers' denial of coverage for the costs of the environmental contamination cleanup. The Authority is included in ASII and VIAD's claim against the insurance companies as an interested party due to its potential status as an additional insured under the insurance policies. The Authority has filed an eight-count counterclaim against VIAD, ASII and Galaxy which states that VIAD, ASII and Galaxy, in accordance with each entity's current or past leases with the Authority, are responsible for and have failed to clean up the contamination and indemnify and defend the Authority from any action in relation thereto. Additionally, the Authority has filed an amended multi-count cross claim against Lloyds, Royal and Equitas alleging a duty under the policies in which the Authority is an additional insured to indemnify and defend the Authority in relation to this suit. The action has been stayed

pending investigation of the extent and costs of the environmental cleanup. At this point in the litigation the costs associated with environmental cleanup are unknown due to uncertainties associated with the remediation. The assessment and remediation of the environmental contamination has been on-going for several years. To date VIAD and ASII have paid the costs of the contamination assessment and have been paying the cost of the remediation efforts that have been incurred on the Authority's property, which is consistent with the lease agreements under which ASII and Galaxy leased the subject property and with the Authority's demands in its counterclaims. At this time, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

Claims by Walbridge Aldinger Company. Walbridge Aldinger Company ("Walbridge"), is the general contractor on two Authority construction projects at the Airport: BP-432, Optimization of Pods "C" and "D"; and BP-439, Landside Emergency Power Generation Expansion. Walbridge has raised claims on both projects; the Authority has raised a now-withdrawn claim on BP-439. These claims are discussed in more detail below.

Claims on BP-432.

Walbridge has raised a delay and impact claim which appears to be in excess of \$17.1 million (the amounts alleged by Walbridge have increased over the course of the project). On September 19, 2016, Walbridge filed a lawsuit concerning this claim in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida (the "Lawsuit"). The Authority is currently the only defendant. Walbridge did not serve the complaint until September 22, 2016.

The claim arises from allegations of unforeseen conditions, owner-caused schedule delays and errors and omissions in the design plans and specifications. The claim includes claims from subcontractors, including in excess of \$6.4 million in claims from an electrical subcontractor (an alleged amount that has increased over the course of the project). Walbridge has not yet presented a final, contractually-compliant claim, thus the total value of its claim is difficult to discern. The Authority vigorously contests the claim, including that the claim was not properly and timely presented in accordance with the contract documents, that the claim (or parts thereof) has been resolved by prior change orders, and contests the underlying facts alleged by Walbridge. The Lawsuit also alleges that the Authority breached its contract with Walbridge by, among other things, failing to manage and control design professionals and professional consultants, failing to ensure that contract modifications and payments were processed timely and in good faith, failing to credit Walbridge with completion of the project, expanding Walbridge's contractual responsibilities, and interfering with its employee and subcontract relationships. For these alleged breaches, Walbridge seeks an unspecified amount of damages and appears to seek a determination that Walbridge be released from any liability, including responsibilities to perform warranty and corrective work. The

Authority intends to aggressively defend against Walbridge's claims and is unable at this time to assess the likelihood such claims have of succeeding. Also on this project, the Authority terminated baggage handling system Pod "C" from the contract work scope on a termination for convenience basis. The credit due the Authority from the Pod "C" removal and the necessary schedule adjustment are in dispute, with a difference in opinion totaling approximately \$3.1 million and 80 days.

The parties agreed to submit all claims to an alternative, non-binding dispute resolution process prior to litigation. This process involves assessment of the parties' contentions by a third-party Dispute Review Board ("DRB") that issues recommended resolutions to the parties' claims. This process was pending when Walbridge filed the Lawsuit, but had not definitively resolved any issues, as each of the DRB's recommendations had been rejected. The parties had not yet decided the next set of issues to be raised to the DRB, and certain of the issues in the Lawsuit had not been raised to the DRB before Walbridge filed the Lawsuit. This renders the status of both the DRB process and the Lawsuit unclear, making it premature to determine exposure in either forum.

Claims on BP-439.

On BP-439, Walbridge has raised a delay claim by a subcontractor in the amount of \$96,234.00 arising out of alleged changes in the process for handling utility outages on the project; the subcontractor has alleged that by the end of the project, the amount of this claim may increase. The Authority has notified Walbridge that this claim is barred by the terms of the contract because of Walbridge's failure to comply with the contract's notice and substantiation requirements, and that the Authority will not act on it because Walbridge has failed to certify the claim under oath as required by the contract. Walbridge has not certified the claim to date; accordingly, the Authority has not acted on it. Because Walbridge has failed to take further action to certify this claim, or substantiate it in a manner to allow proper analysis, the Authority is unable to provide an assessment as to the outcome of this controversy or whether it may have a material financial impact on the Authority.

Also on BP-439, the Authority issued a now-withdrawn notice of claim to Walbridge arising out of the catastrophic failure of one of three new generators installed as part of the work on this project. The Authority provided notice of a claim to Walbridge to protect its rights in the event that the Authority incurred expenses or damages as a result of the failure. The Authority does not anticipate incurring expense for the replacement of the engine on the failed generator; moreover, analysis by Walbridge's subcontractor indicates that the cause of the failure was specific to the failed generator and should not affect the other generators installed as part of the work. Accordingly, the Authority withdrew its notice of claim. Work has been completed to remediate the generator failure, and the contractor has executed a change order to memorialize its commitments concerning steps to remediate the generator

failure. The Authority has also received extended warranties on the generator models in question.

TAX MATTERS

Series 2016A Bonds and Series 2016B Bonds

In the opinion of Co-Bond Counsel, under existing law, as currently enacted and construed, and assuming the accuracy of certain certifications and compliance with certain covenants of the Authority designed to assure compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Series 2016A Bonds is excludable gross income of the owners thereof for federal income tax purposes, except for interest on any Series 2016A Bond for any period during which such Series 2016A Bond is held by a "substantial user" of the facilities financed or refinanced with the proceeds of the Series 2016A Bonds or a "related person" within the meaning of Section 147(a) of the Code, but interest on the Series 2016A Bonds is an item of tax preference under the Code for purposes of determining the alternative minimum tax imposed on individuals and corporations.

In addition, in the opinion of Co-Bond Counsel, under existing law, as currently enacted and construed, and assuming the accuracy of certain certifications and compliance with certain covenants of the Authority designed to assure compliance with the requirements of the Code, the interest on the Series 2016B Bonds is excludable from gross income for federal income tax purposes. Interest on the Series 2016B Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2016B Bonds is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Co-Bond Counsel has not undertaken to advise in the future whether any events after the date of execution and delivery of the New Money Bonds may affect the federal tax status of the interest on the New Money Bonds.

Ownership of the New Money Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, S corporations with "excess net passive income," individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the New Money Bonds. Co-Bond Counsel expresses no opinion as to any such collateral tax consequences. Purchasers of New Money Bonds should consult their own tax advisors as to such collateral tax consequences.

The Code sets forth certain requirements which must be met subsequent to the issuance and delivery of the New Money Bonds for interest thereupon to remain excludable from the gross income of the owners of the New Money Bonds for federal income tax purposes. The Authority will covenant in the 2016 Supplemental Resolution to comply with such requirements. Noncompliance with the respective requirements applicable to the Series 2016A Bonds or the Series 2016B Bonds may cause interest on the such New Money Bonds to be required to be included in the gross income of the owners thereof for federal income tax purposes, retroactive to the date of issuance of the New Money Bonds or as of some later date. Co-Bond Counsel has not undertaken to advise in the future whether any events after the date of execution and delivery of the New Money Bonds may affect the federal tax status of the interest on the New Money Bonds.

Co-Bond Counsel is further of the opinion that the New Money Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. Co-Bond Counsel expresses no opinion regarding taxation of the New Money Bonds or interest on the New Money Bonds in any state other than Florida. Prospective purchasers of the New Money Bonds should consult their tax advisors as to whether the New Money Bonds or interest on the New Money Bonds is or is not exempt from taxation in any other state.

A form of the opinion of Co-Bond Counsel is attached hereto as APPENDIX F. A copy of such opinion will be available at the time of the initial delivery of the New Money Bonds.

Original Issue Premium

The Series 2016A Bonds maturing on October 1, 2019 through October 1, 2026 (inclusive) and the Series 2016B Bonds maturing on October 1, 2017 through October 1, 2026 (inclusive) (collectively, the "Noncallable Premium New Money Bonds") and the Series 2016A Bonds maturing on October 1, 2027 through October 1, 2046 (inclusive) and the Series 2016B Bonds maturing on October 1, 2027 through October 1, 2046 (inclusive) (collectively, the "Callable Premium New Money Bonds") were sold at a price in excess of the amount payable at maturity in the case of the Noncallable Premium New Money Bonds or their earlier call date in the case of the Callable Premium New Money Bonds. Under the Code, the difference between the amount payable at maturity of the Noncallable Premium New Money Bonds and the tax basis to the purchaser and the difference between the amount payable at the call date of the Callable Premium New Money Bonds that minimizes the yield to a purchaser of a Callable Premium New Money Bond and the tax basis to the purchaser (other than a purchaser who holds a Noncallable Premium Series 2016A Bond or Callable Premium New Money Bond as inventory, stock in trade or for sale to customers in the ordinary course of business) is "bond premium."

Bond premium is amortized for federal income tax purposes over the term of a Noncallable Premium New Money Bond and over the period to the call date of a Callable Premium New Money Bond that minimizes the yield to the purchaser of the Callable Premium New Money Bond. A purchaser of a Noncallable or Callable Premium New Money Bond is required to decrease his adjusted basis in the Premium Bond by the amount of amortizable bond premium attributable to each taxable year he holds the Premium Bond. The amount of amortizable bond premium attributable to each taxable year is determined at a constant interest rate compounded actuarially. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes. Purchasers of the Noncallable or Callable Premium New Money Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of Noncallable or Callable Premium New Money Bonds and with respect to the state and local consequences of owning and disposing of Noncallable or Callable Premium New Money Bonds.

Future Changes in Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress that, if enacted into law, could alter or amend one or more of the federal tax matters described above including, without limitation, the excludability from gross income of interest on the New Money Bonds, adversely affect the market price or marketability of the New Money Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would apply to the New Money Bonds. If enacted into law, such legislative proposals could affect the market price or marketability of the New Money Bonds. Prospective purchasers of the New Money Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the New Money Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the New Money Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of New Money Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the New Money Bonds and proceeds from the sale of New Money Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of New Money Bonds. This withholding generally applies if the owner of New Money Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an

incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the New Money Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Series 2016C Bonds (Taxable)

Co-Bond Counsel is not delivering a federal tax opinion with respect to the Series 2016C Bonds. Interest on the Series 2016C Bonds is required to be included in the gross income of the owners of the Series 2016C Bonds for federal income tax purpose. Co-Bond Counsel is of the opinion that the Series 2016C Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Series 2016C Bonds. The discussion below is based upon current provisions of the Code, current final, temporary and proposed Treasury regulations, judicial authority and current administrative rulings and pronouncements of the IRS. There can be no assurance that the IRS will not take a contrary view, and no ruling from the IRS has been, or is expected to be, sought on the issues discussed herein. Legislative, judicial, or administrative changes or interpretations may occur that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may or may not be retroactive and could affect the tax consequences discussed below.

The summary is not a complete analysis or description of all potential U.S. federal tax considerations that may be relevant to, or of the actual tax effect that any of the matters described herein will have on, particular Holders or beneficial owners of Series 2016C Bonds and does not address U.S. federal gift or (for U.S. Holders, as defined below) estate tax consequences or alternative minimum, foreign, state, local or other tax consequences. This summary does not purport to address special classes of taxpayers (such as S corporations, mutual funds, banks, insurance companies, financial institutions, small business investment companies, regulated investment companies, real estate mortgage investment conduits, real estate investment trusts, grantor trusts, former citizens or residents of the United States, persons whose functional currency is not the U.S. dollar, broker-dealers, dealers in securities, traders in securities that elect to use a mark-to-market method of accounting, tax-exempt organizations, passive foreign investment companies, controlled foreign corporations and corporations that accumulate earnings to avoid U.S. federal income tax) that are subject to special treatment under the federal income tax laws, or persons that hold Series 2016C Bonds as part of a hedge against

currency risk, or that are part of a hedge, straddle, conversion, constructive ownership, constructive sale transaction, or other risk reduction or integrated transaction. This summary also does not address the tax consequences to an owner of Series 2016C Bonds held through a partnership or other pass-through entity treated as a partnership for U.S. federal income tax purposes. In addition, this discussion is limited to persons purchasing the Series 2016C Bonds for cash in this offering at their "issue price" within the meaning of Section 1273 of the Code (i.e., the first price at which a substantial amount of Series 2016C Bonds are sold to the public for cash), and it does not address the tax consequences to holders that purchase the Series 2016C Bonds after their original issuance. This discussion assumes that the Series 2016C Bonds will be held as capital assets within the meaning of section 1221 of the Code.

As used herein, the term "U.S. Holder" means a beneficial owner of Series 2016C Bonds who is (i) an individual citizen or resident of the United States for U.S. federal income tax purposes, (ii) a corporation (or other entity classified as a corporation for U.S. federal tax purposes) created or organized in or under the laws of the United States or any state thereof or the District of Columbia, (iii) an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust if (a) a U.S. court can exercise primary supervision over the administration of such trust and one or more United States persons (within the meaning of the Code) has the authority to control all of the substantial decisions of such trust or (b) the trust has made a valid election under applicable Treasury regulations to be treated as a United States person (within the meaning of the Code). As used herein, the term "Non-U.S. Holder" means a beneficial owner of Series 2016C Bonds that is not a U.S. Holder.

BECAUSE INDIVIDUAL CIRCUMSTANCES MAY DIFFER, PROSPECTIVE HOLDERS AND BENEFICIAL OWNERS OF THE SERIES 2016C BONDS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THEIR PARTICULAR TAX SITUATIONS AND AS TO ANY FEDERAL, FOREIGN, STATE, LOCAL OR OTHER TAX CONSIDERATIONS (INCLUDING ANY POSSIBLE CHANGES IN TAX LAW) AFFECTING THE PURCHASE, HOLDING AND DISPOSITION OF THE SERIES 2016C BONDS.

Certain U.S. Federal Income Tax Consequences to U.S. Holders

This section describes certain U.S. federal income tax consequences to U.S. Holders. Non-U.S. Holders should see the discussion under the caption "Certain U.S. Federal Income and Estate Tax Consequences to Non-U.S. Holders" below for a discussion of certain tax consequences applicable to them.

Qualified Stated Interest

Payments or accruals of "qualified stated interest" (as defined below under the subheading "Original Issue Discount, Bond Premium and Market Discount - Original

Issue Discount") on a Series 2016C Bond will be taxable to a U.S. Holder as ordinary interest income at the time that such U.S. Holder receives or accrues such amounts (in accordance with such U.S. Holder's regular method of tax accounting).

Original Issue Discount, Bond Premium and Market Discount.

Original Issue Discount. If any Series 2016C Bonds are issued at a discount from their stated redemption price at maturity, and the discount is equal to or more than the product of one-quarter of one percent (0.25%) of the stated redemption price at maturity of the Series 2016C Bonds multiplied by the number of full years to maturity, the Series 2016C Bonds will be "OID Series 2016C Bonds." The difference between the issue price and the stated redemption price at maturity of such Series 2016C Bonds will be the "original issue discount." The "issue price" of the Series 2016C Bonds will be the first price at which a substantial amount of the Series 2016C Bonds are sold to the public for money (*i.e.*, excluding sales of Series 2016C Bonds to underwriters, placement agents, wholesalers, or similar persons). The "stated redemption price at maturity" will include all payments under the Series 2016C Bonds other than payments of qualified stated interest. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments issued by the Authority) at least annually during the entire term of a Series 2016C Bond at a single fixed interest rate or, subject to certain conditions, based on one or more interest indices.

If a U.S. Holder invests in an OID Series 2016C Bond, it generally will be subject to the special tax accounting rules for original issue discount obligations provided by the Code and U.S. Treasury regulations (the "OID Regulations"). If a U.S. Holder invests in an OID Series 2016C Bond, such U.S. Holder generally will be required to include original issue discount in ordinary gross income for U.S. federal income tax purposes as it accrues ratably, or at the election of the U.S. Holder, on a constant-yield to maturity basis regardless of when the U.S. Holder receives the cash attributable to that income.

In general, and regardless of whether a U.S. Holder uses the cash or the accrual method of tax accounting, if such U.S. Holder is the holder of an OID Series 2016C Bond with a maturity greater than one year, such U.S. Holder will be required to include in ordinary gross income the sum of the "daily portions" of original issue discount on that Series 2016C Bond for all days during the taxable year that such U.S. Holder owns the Series 2016C Bond. The daily portions of original issue discount on an OID Series 2016C Bond are determined by allocating to each day in any accrual period a ratable portion of the original issue discount allocable to that period. Accrual periods may be any length and may vary in length over the term of an OID Series 2016C Bond, so long as no accrual period is longer than one year and each scheduled payment of principal or interest occurs on

the first or last day of an accrual period. The amount of original issue discount on an OID Series 2016C Bond allocable to each accrual period is determined by:

- (i) multiplying the "adjusted issue price" (as defined in applicable federal tax regulations) of the Series 2016C Bond at the beginning of the accrual period by a fraction, the numerator of which is the annual yield to maturity (as defined in applicable federal tax regulations) of the Series 2016C Bond and the denominator of which is the number of accrual periods in a year; and
- (ii) subtracting from that product the amount (if any) payable as qualified stated interest allocable to that accrual period.

A U.S. Holder generally may make an irrevocable election to include in income its entire return on a Series 2016C Bond (i.e., the excess of all remaining payments to be received on the Series 2016C Bond, including payments of qualified stated interest, over the amount such U.S. Holder paid for the Series 2016C Bond) under the constant-yield method described above. If a U.S. Holder purchases Series 2016C Bonds at a premium or market discount and makes this election, such U.S. Holder will also be deemed to have made the election (discussed below under the sub-heading "Bond Premium" and "Market Discount" below) to amortize premium or to accrue market discount currently on a constant-yield basis in respect of all other premium or market discount Series 2016C Bonds that such U.S. Holder holds.

A U.S. Holder that purchases an OID Series 2016C Bond outside of the initial offering at a cost less than its remaining redemption amount (i.e., the total of all future payments to be made on the Series 2016C Bond other than payments of qualified stated interest), or purchases an OID Series 2016C Bond in the initial offering at a price other than the Series 2016C Bond's issue price, generally will also be required to include in gross income the daily portions of original issue discount, calculated as described above. However, if a U.S. Holder acquires an OID Series 2016C Bond at a price greater than its adjusted issue price (but less than or equal to its remaining redemption amount), such U.S. Holder will be entitled to reduce its periodic inclusions of original issue discount to reflect the premium paid over the adjusted issue price.

Bond Premium. A U.S. Holder who purchases a Series 2016C Bond at a cost greater than the Series 2016C Bond's remaining redemption amount will be considered to have purchased the Series 2016C Bond at a premium, and may elect to amortize the premium as an offset to interest income, using a constant-yield method, over the remaining term of the Bond. If the Bond is redeemable prior to maturity, the amount of amortizable premium is determined with reference either to the amount payable on maturity or, if it results in a smaller premium attributable

to the earlier redemption period, with reference to the amount payable on the earlier redemption date. If a U.S. Holder makes the election to amortize the premium, it generally will apply to all debt instruments held by such U.S. Holder at the time of the election, as well as any debt instruments that are subsequently acquired by such U.S. Holder. In addition, a U.S. Holder may not revoke the election without the consent of the IRS. If such U.S. Holder elects to amortize the premium, such U.S. Holder will be required to reduce its tax basis in the Series 2016C Bond by the amount of the premium amortized during the holding period of the U.S. Holder. OID Series 2016C Bonds purchased at a premium will not be subject to the original issue discount rules described above. If such U.S. Holder does not elect to amortize premium, the amount of premium will be included in its tax basis in the Series 2016C Bond. Therefore, if a U.S. Holder does not elect to amortize premium and holds the Series 2016C Bond to maturity, such U.S. Holder generally will be required to treat the premium as capital loss when the Series 2016C Bond matures.

Market Discount. A Series 2016C Bond purchased by a U.S. Holder at a price that is lower than the Series 2016C Bond's remaining redemption amount (or in the case of an OID Series 2016C Bond, the Series 2016C Bond's adjusted issue price) by 0.25% or more of the remaining redemption amount (or adjusted issue price) of such Series 2016C Bond, multiplied by the number of remaining whole years to maturity of such Series 2016C Bond, will be considered to bear "market discount" in an amount equal to such difference in the hands of the U.S. Holder. In this case, any gain realized by a U.S. Holder on the disposition of the Series 2016C Bond generally will be treated as ordinary interest income to the extent of the market discount that accrued on the Series 2016C Bond during the period it was held by such U.S. Holder. In addition, a U.S. Holder may be required to defer the deduction of all or a portion of the interest paid on any indebtedness that such U.S. Holder incurred or continued to purchase or carry the Series 2016C Bond. In general, market discount will be treated as accruing ratably over the term of the Series 2016C Bond, or, at election of the U.S. Holder, under a constant-yield method.

A U.S. Holder may elect to include market discount in gross income currently as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of the Series 2016C Bond as ordinary income. If a U.S. Holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. If a U.S. Holder does make such an election, it will apply to all market discount debt instruments that a U.S. Holder acquires on or after the first day of the first taxable year to which the election applies. The election may not be revoked without the consent of the IRS.

Other Payments with Respect to Series 2016C Bonds

Tax Basis of Series 2016C Bonds. Initially, the tax basis of a U.S. Holder in a Series 2016C Bond generally will equal the amount paid for the Series 2016C Bond by such U.S. Holder. Subsequently, the basis will increase by any amounts that such U.S. Holder is required to include in income under the rules governing original issue discount and market discount, and will decrease by the amount of any amortized premium and any payments other than qualified stated interest made on the Series 2016C Bond. The rules for determining these amounts are discussed below.

Sale, Exchange, Retirement or Redemption of Series 2016C Bonds. When a Series 2016C Bond is sold or exchanged, or if a Series 2016C Bond is retired or redeemed, the U.S. Holder of such Series 2016C Bond generally will recognize gain or loss equal to the difference between the amount it realized on the transaction (less any accrued and unpaid qualified stated interest, which will be subject to tax in the manner described above under the caption "Certain U.S. Federal Income Tax Consequences to U.S. Holders - Qualified Stated Interest") and its tax basis in the Series 2016C Bond.

Nature of Gain or Loss on Sale, Exchange or Retirement of Series 2016C Bonds. Except for market discount, the gain or loss that a U.S. Holder recognizes on the sale, exchange or retirement of a Series 2016C Bond generally will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder has held the Series 2016C Bond for more than one year on the date of disposition. Net long-term capital gain recognized by an individual U.S. Holder generally will be subject to tax at a lower rate than net short-term capital gain or ordinary income. The ability of U.S. Holders to offset capital losses against ordinary income is limited.

Additional Tax on Net Investment Income

Certain U.S. Holders that are individuals, estates or trusts are subject to a 3.8% tax on all or a portion of their "net investment income," which may include all or a portion of their interest income and net gains from the disposition of the Series 2016C Bonds. Each U.S. Holder that is an individual, estate or trust is urged to consult its tax advisors regarding the applicability of this tax to its income and gains in respect of its investment in the Series 2016C Bonds.

Information Reporting and Backup Withholding

Payments of interest on the Series 2016C Bonds will be generally subject to IRS information reporting and "backup withholding." Under section 3406 of the Code and applicable Treasury Regulations, a non-corporate U.S. Holder of the Series 2016C Bonds

may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Series 2016C Bonds and the gross proceeds of a sale, exchange, redemption or retirement of the Series 2016C Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in section 3406(c) of the Code, or (iv) there has been a failure of the payee to certify under penalty of perjury that the payee is not subject to withholding under section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Certain U.S. Federal Income and Estate Tax Consequences to Non-U.S. Holders

This section describes certain U.S. federal income and estate tax consequences to Non-U.S. Holders.

Certain Non U.S. Holders May Be Treated as U.S. Holders

If, under the Code, interest on the Series 2016C Bonds is "effectively connected with the conduct of a trade or business within the United States" by a Non-U.S. Holder, such interest will be subject to U.S. federal income tax in a similar manner as if the Series 2016C Bonds were held by a U.S. Holder, as described above, and in the case of Non-U.S. Holders that are corporations, may be subject to the U.S. branch profits tax at a rate of up to 30%, unless an applicable tax treaty provides otherwise. Such Non-U.S. Holder will not be subject to withholding taxes, however, if it provides a properly executed Form W-8ECI (or successor form) to the Trustee. If the interest is effectively connected with the conduct of a U.S. trade or business, the Non-U.S. Holder will be required to file U.S. federal income tax returns.

Treatment of Other Non U.S. Holders

Interest. Interest on the Series 2016C Bonds held by other Non-U.S. Holders may be subject to withholding taxes of up to 30% of each payment made to a Non-U.S. Holder unless the "portfolio interest" exemption applies or, as discussed below, such withholding taxes are eliminated by an applicable treaty. In general, interest paid on the Series 2016C Bonds to a Non-U.S. Holder will qualify for the portfolio interest exemption, and thus will not be subject to U.S. federal withholding tax, if (i) such Non-U.S. Holder is not a "controlled foreign corporation" (within the meaning of section 957 of the Code) that is related, directly or indirectly, to the Authority; (ii) the Non-U.S. Holder is not actually or constructively a "10-percent shareholder" of the Authority under Section 871(h) of the Code; (iii) the Non-U.S. Holder is not a bank receiving interest on an extension

of credit made in the ordinary course of its trade or business described in Section 881(c)(3)(A) of the Code; (iv) the interest is not effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States under Section 871(b) or Section 882 of the Code; and (v) either (a) the Trustee receives from the Non-U.S. Holder who is the beneficial owner of the obligation a statement signed by such person under penalties of perjury, on IRS Form W-8BEN, W-8BEN-E or other applicable Form W-8 (or successor form), certifying that such owner is not a U.S. Holder and providing such owner's name and address, or (b) a securities clearing organization, bank or other financial institution that holds the Series 2016C Bonds on behalf of such Non-U.S. Holder in the ordinary course of its trade or business certifies to the Trustee under penalties of perjury, that such an IRS Form W-8BEN, W-8BEN-E or other applicable Form W-8 (or a successor form) has been received from the beneficial owner by it and furnishes the Trustee with a copy thereof. A certificate is effective only with respect to payments of interest made to the certifying Non-U.S. Holder after issuance of the certificate in the calendar year of its issuance and the two immediately succeeding calendar years. Alternative methods may be applicable for satisfying the certification requirement described above. Foreign trusts and their beneficiaries are subject to special rules, and such persons should consult their own tax advisors regarding the certification requirements.

If a Non-U.S. Holder does not claim, or does not qualify for, the benefit of the portfolio interest exemption, the Non-U.S. Holder may be able to claim exemption from or a reduced withholding tax rate under an applicable income tax treaty between the Non-U.S. Holder's country of residence and the U.S. Non-U.S. Holders are urged to consult their own tax advisors regarding their eligibility for treaty benefits. The required information for claiming treaty benefits is generally submitted on Form W-8BEN or W-8BEN-E (or successor form). In addition, a Non-U.S. Holder may under certain circumstances be required to obtain a U.S. taxpayer identification number.

In addition to the rules relating to U.S. taxation of interest, Sections 1471 through 1474 of the Code ("FATCA") generally will impose withholding at a rate of 30% on any payments on the Series 2016C Bonds made to a foreign financial institution or non-financial foreign entity (including, in some cases, when such foreign financial institution or entity is acting as an intermediary), and on the gross proceeds from the sale or other disposition of the Series 2016C Bonds after December 31, 2018, unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners); (ii) in the case of a non-

financial foreign entity, such entity certifies that it does not have any substantial U.S. owners or provides the withholding agent with a certification identifying the direct and indirect substantial U.S. owners of the entity; (iii) the foreign financial institution or non-financial foreign entity complies with any requirements imposed pursuant to an intergovernmental agreement between the U.S. government and the government of a foreign country applicable to such foreign financial institution or non-financial foreign entity; or (iv) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. Under certain circumstances, a Non-U.S. Holder might be eligible for refunds or credits of such taxes.

For the purpose of the preceding paragraphs, a "foreign financial institution" generally is a non-U.S. entity that (i) accepts deposits in the ordinary course of a banking or similar business, (ii) as a substantial portion of its business, holds financial assets for the account of others (or is managed by an entity that holds financial assets for the account of others), (iii) is engaged (or holds itself out as being engaged) primarily in the business of investing, reinvesting, or trading in securities, partnership interests or commodities, or interests in securities, partnership interests, commodities or certain other financial instruments (or is managed by an entity that is so engaged), or (iv) is an insurance company that meets certain requirements. However, if an entity is located in a country that has entered into an intergovernmental agreement, the types of entities that are subject to the obligations imposed on foreign financial institutions may differ somewhat from those described in this paragraph.

Holders of the Series 2016C Bonds are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on an investment in the Series 2016C Bonds.

Disposition of the Series 2016C Bonds. Except to the extent provided by FACTA (as described above), a Non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding tax on gain recognized on a sale, exchange, redemption, retirement, or other disposition of a Series 2016C Bond. (Such gain does not include proceeds attributable to accrued but unpaid interest on the Series 2016C Bonds, which will be treated as interest.) A Non-U.S. Holder may, however, be subject to U.S. federal income tax on such gain if: (i) the Non-U.S. Holder is a nonresident alien individual who was present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met under Section 871(a)(2) of the Code; (ii) the gain is effectively connected with the conduct of a U.S. trade or business, as provided by applicable U.S. tax rules (in which case the U.S. branch profits tax may also apply), unless an applicable tax treaty provides otherwise; or (iii) the Non-U.S. Holder is an individual and is required to pay tax pursuant to the provisions of the United States tax law applicable to certain United States expatriates.

U.S. Federal Income Tax Returns. If the interest is effectively connected with the conduct of a U.S. trade or business, the Non-U.S. Holder will be required to file U.S. federal income tax returns.

Information Reporting and Backup Withholding. The Authority must report annually to the IRS and to each Non-U.S. Holder any interest that is subject to U.S. withholding taxes or that is exempt from U.S. withholding taxes pursuant to an income tax treaty or certain provisions of the Code. Copies of these information returns may also be made available under the provisions of a specific tax treaty or agreement with the tax authorities of the country in which the Non-U.S. Holder resides.

A Non-U.S. Holder generally will not be subject to backup withholding with respect to payments of interest on the Series 2016C Bonds as long as the Non-U.S. Holder (i) has furnished to the Trustee a valid IRS Form W-8BEN, W-8BEN-E or other applicable Form W-8 certifying, under penalties of perjury, its status as a non-U.S. person, (ii) has furnished to the Trustee other documentation upon which it may rely to treat the payments as made to a non-U.S. person in accordance with Treasury regulations, or (iii) otherwise establishes an exemption. A Non-U.S. Holder may be subject to information reporting and/or backup withholding on a sale of the Series 2016C Bonds through the United States office of a broker and may be subject to information reporting (but generally not backup withholding) on a sale of the Series 2016C Bonds through a foreign office of a broker that has certain connections to the United States, unless the Non-U.S. Holder provides the certification described above or otherwise establishes an exemption. Non-U.S. Holders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedure for obtaining such an exemption.

Amounts withheld under the backup withholding rules may be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

U.S. Federal Estate Tax. A Series 2016C Bond held or beneficially owned by an individual who, for estate tax purposes, is not a citizen or resident of the United States at the time of death will not be includable in the decedent's gross estate for U.S. estate tax purposes, provided that, at the time of death, payments with respect to such Series 2016C Bond would not have been effectively connected with the conduct by such individual of a trade or business in the United States. In addition, the U.S. estate tax may be inapplicable to such Series 2016C Bond under the terms of an applicable estate tax treaty.

THE FOREGOING SUMMARY IS INCLUDED HEREIN FOR GENERAL INFORMATION ONLY AND DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF SERIES 2016C BONDS IN LIGHT OF THE HOLDER'S PARTICULAR CIRCUMSTANCES AND INCOME TAX SITUATION. PROSPECTIVE

PURCHASERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO ANY TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF SERIES 2016C BONDS, INCLUDING THE APPLICATION AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.

Certain ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to that statute ("ERISA Plans"). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein ("Qualified Retirement Plans"), and on Individual Retirement Accounts ("IRAs") described in Section 408(b) of the Code (collectively, "Tax-Favored Plans"). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA), are not subject to ERISA requirements. Additionally, such governmental and non-electing church plans are not subject to the requirements of Section 4975 of the Code. Accordingly, assets of such plans may be invested in the Series 2016C Bonds without regard to the ERISA and Code considerations described below, subject to the provisions of applicable federal and state law.

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan's investment be made in accordance with the documents governing the plan, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, "Benefit Plans") and persons who have certain specified relationships to the Benefit Plans ("Parties In Interest" or "Disqualified Persons"), unless a statutory or administrative exemption is available. The definitions of "Party in Interest" and "Disqualified Person" are expansive. While other entities may be encompassed by these definitions, they include, most notably: (1) a fiduciary with respect to a plan; (2) a person or entity providing services to a plan; and (3) an employer or employee organization any of whose employees or members are covered by the plan. Certain Parties in Interest (or Disqualified Persons) that participate in a prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory or administrative exemption is available.

Certain transactions involving the purchase, holding or transfer of the Series 2016C Bonds might be deemed to constitute prohibited transactions under ERISA and the Code if assets of the Authority were deemed to be assets of a Benefit Plan. Under final

regulations issued by the United States Department of Labor (the "Plan Assets Regulation"), the assets of the Authority would be treated as plan assets of a Benefit Plan for the purposes of ERISA and the Code only if the Benefit Plan acquires an "equity interest" in the Authority and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there can be no assurances in this regard, it appears that the Series 2016C Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation.

However, without regard to whether the Series 2016C Bonds are treated as an equity interest for such purposes, the acquisition or holding of Series 2016C Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the Authority or the Trustee, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Series 2016C Bonds by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Series 2016C Bond. Included among these exemptions are: Prohibited Transaction Class Exemption ("PTCE") 96-23, regarding transactions effected by "in-house asset managers;" PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by "insurance company general accounts;" PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers."

Any ERISA Plan fiduciary considering whether to purchase the Series 2016C Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code to such an investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of any similar state or federal law.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2016 Bonds and the issuance thereof by the Authority are subject to the approval of Greenberg Traurig, P.A.,

Orlando, Florida, and D. Seaton and Associates, P.A., Orlando, Florida, as Co-Bond Counsel. The proposed form of the opinions of Co-Bond Counsel is attached hereto as APPENDIX F. The actual legal opinions to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinions will speak only as of their date and subsequent distribution thereof by recirculation of the Official Statement or otherwise shall create no implication that Co-Bond Counsel has reviewed or expresses any opinions concerning any of the matters referenced in the opinions subsequent to their date.

Co-Bond Counsel has not been engaged to, nor have they undertaken to review (a) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2016 Bonds, or (b) the compliance with any federal or state law with regard to the sale or distribution of the Series 2016 Bonds, except that Co-Bond Counsel will state to the Underwriters and the Authority at closing, that they have reviewed the information in the sections hereof entitled "DESCRIPTION OF THE SERIES 2016 BONDS," "SECURITY FOR THE SERIES 2016 BONDS," and "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION" herein and in "APPENDIX B - AIRPORT FACILITIES REVENUE BOND RESOLUTION" and "APPENDIX C - PROPOSED AMENDED AND RESTATED BOND RESOLUTION" attached hereto, and to the extent such statements purport to summarize certain provisions of the Bond Resolution and the Consent Amendments, such statements are fair and accurate summaries of the provisions purported to be summarized. Co-Bond Counsel will also state they have reviewed the information under the caption "TAX MATTERS" and that the statements contained therein are accurate.

Certain legal matters will be passed on for the Authority by Broad and Cassel, Issuer's Counsel to the Authority and, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Ruye H. Hawkins, P.A., Orlando, Florida, Co-Disclosure Counsel. Certain legal matters in connection with the Series 2016 Bonds will be passed on for the Underwriters by their counsel, Bryant Miller Olive P.A., Orlando, Florida, upon which only the Underwriters may rely.

CONTINUING DISCLOSURE

To assist the Underwriters in complying with the Rule, simultaneously with the issuance of the Series 2016 Bonds, the Authority will enter into a Continuing Disclosure Agreement with DAC, as initial dissemination agent, under which the Authority will provide continuing disclosure with respect to the Series 2016 Bonds, substantially in the form attached hereto as "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT." The Authority, as an "obligated person" under the Rule, has covenanted in the Continuing Disclosure Agreement to provide certain financial information and operating data relating to the Airport System and the Series 2016 Bonds

in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of certain enumerated events, when and if they occur, shall be timely filed by DAC, on behalf of the Authority, with EMMA. The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the Authority's undertaking are more fully described in "APPENDIX G - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto. Notwithstanding any other provision of the Bond Resolution, failure of the Authority to comply with such Continuing Disclosure Agreement shall not be considered an event of default under the Bond Resolution. To the extent permitted by law, the sole and exclusive remedy of any Holder of the Series 2016 Bonds for the enforcement of the provisions of the Continuing Disclosure Agreement shall be an action seeking mandamus or specific performance by court order to cause the Authority to comply with its obligations under the Continuing Disclosure Agreement.

The following disclosure is being provided by the Authority for the sole purpose of assisting the Underwriters in complying with the Rule: The Authority previously entered into continuing disclosure undertakings, as an "obligated person" under the Rule (the "Undertakings"). In the preceding five year period ending on the date hereof (the "Compliance Period"), the Authority has knowledge of its failure to comply with the following provisions of the Undertakings: (a) the Authority filed the annual report for two series of bonds on March 31, 2014 in response to an Undertaking requiring the report to be filed within 180 days after the end of the Fiscal Year, which was actually March 29, 2014, (b) the Authority failed to file the requisite notices of its failure to timely file the annual reports described in (a) and (c) the Authority failed to provide certain annual financial information and operating data in its annual filings as such information was previously presented in the applicable offering documents. It is possible the Authority has failed to comply with other Undertakings of similar or different types within the Compliance Period, but the Authority is not aware of any such failures.

RATINGS

S&P Global Ratings ("S&P"), Fitch Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's," and collectively with S&P and Fitch, the "Rating Agencies") have assigned ratings of "AA-" (Stable Outlook), "AA-" (Stable Outlook) and "Aa3" (Stable Outlook), respectively, to the Series 2016 Bonds. Such ratings reflect only the views of said Rating Agencies at the time such ratings were issued and an explanation of the significance of such ratings may be obtained only from said Rating Agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such Rating Agencies, or any one of them, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Series 2016 Bonds. The Authority has not undertaken any obligation to oppose any proposed downward revision, or withdrawal of such ratings.

UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill Lynch") on its own behalf and on behalf of Citigroup Global Markets Inc., Drexel Hamilton, LLC, PNC Capital Markets LLC, Siebert Cisneros Shank & Co., L.L.C., and Stifel, Nicolaus & Company, Inc. (collectively the "Underwriters") have agreed pursuant to that certain Bond Purchase Agreement by and between the Authority and the Underwriters that the aggregate purchase price of the Series 2016 Bonds payable to the Authority is \$287,973,593.09 (which represents the aggregate par amount of \$252,890,000.00, less an Underwriters' discount of \$892,627.56, plus bond premium of \$35,976,220.65). The Underwriters are committed to purchase all the Series 2016 Bonds, if any are purchased. The Series 2016 Bonds are offered for sale to the public at the prices derived from the yields set forth on the inside cover page of this Official Statement. The Series 2016 Bonds may be offered and sold to certain dealers (including dealers depositing Series 2016 Bonds into investment trusts) at prices lower than such offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The following information has been provided by certain of the Underwriters for inclusion in the Official Statement.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against the Authority and its affiliates in connection with such activities. In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Authority (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Citigroup Global Markets Inc., an underwriter of the Series 2016 Subordinated Bonds, has entered into a retail distribution agreement with each of TMC Bonds L.L.C. ("TMC") and UBS Financial Services Inc. ("UBSFS"). Under these distribution agreements, Citigroup Global Markets Inc. may distribute municipal securities to retail

investors through the financial advisor network of UBSFS and the electronic primary offering platform of TMC. As part of this arrangement, Citigroup Global Markets Inc. may compensate TMC (and TMC may compensate its electronic platform member firms) and UBSFS for their selling efforts with respect to the Series 2016 Subordinated Bonds.

PNC Capital Markets LLC ("PNCCM"), an underwriter of the Series 2016 Subordinated Bonds, may offer to sell to its affiliate, PNC Investments, LLC ("PNCI"), securities in PNCCM's inventory for resale to PNCI's customers, including securities such as those to be offered by the Authority. PNCCM may share with PNCI a portion of the fee or commission paid to PNCCM if any Series 2016 Subordinated Bonds are sold to customers of PNCI.

VERIFICATION OF ARITHMETICAL COMPUTATIONS

At the time of the delivery of the Series 2016 Bonds, the Verification Agent will deliver a report on the mathematical accuracy of the computations contained in schedules provided to them and prepared by Raymond James & Associates, Inc. relating to (a) the sufficiency of the uninvested cash and maturing principal amounts and interest on Investment Securities to pay, when due, the principal, whether at maturity or upon prior redemption and interest requirements of the Refunded Bonds and (b) the "yield" on the Series 2016 Bonds (other than the Series 2016C Bonds) and on the Investment Securities considered by Co-Bond Counsel in connection with their opinion that the Series 2016A Bonds and the Series 2016B Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code, as amended.

FINANCIAL STATEMENTS

The Authority's financial statements for the Fiscal Years ended September 30, 2015 and 2014, included in APPENDIX E attached hereto, have been audited by Moore Stephens Lovelace, P.A., as stated in their report also included in APPENDIX E attached hereto. Moore Stephens Lovelace, P.A., the Authority's independent auditor, has not been engaged to perform and has not performed, since the date of its report included in APPENDIX E any procedures on the financial statements addressed in that report. Moore Stephens Lovelace, P.A., also has not been engaged to perform and has not performed any procedures relating to this Official Statement.

CO-FINANCIAL ADVISORS

Raymond James & Associates, Inc., Winter Park, Florida, Frasca & Associates, LLC, New York, New York, and National Minority Consultants, Inc., Orlando, Florida, serve as co-financial advisors to the Authority (collectively, the "Co-Financial Advisors"). Although the Co-Financial Advisors assisted the Authority in the preparation

of this Official Statement, and in other matters relating to the planning, structuring and issuance of the Series 2016 Bonds and provided other advice, the Co-Financial Advisors are not obligated to undertake and have not undertaken to make an independent verification of the accuracy, completeness or fairness of the information or statements contained in this Official Statement or the appendices hereto. The Co-Financial Advisors did not engage in any underwriting activities with regard to the sale of the Series 2016 Bonds.

DISCLOSURE OF MULTIPLE ROLES

PNCCM is acting as an underwriter in connection with the offering of the Series 2016 Bonds. PNC Bank, N.A., an affiliate of PNCCM, also serves as the line of credit provider for the PNC Line of Credit. Conflicts of interest could arise by reason of the different capacities in which the PNC entities act in connection with the Series 2016 Bonds.

The Authority intends to use a portion of the proceeds from the issuance of the Series 2016C Bonds to refund certain of the Authority's outstanding debt. To the extent BofA Merrill Lynch or an affiliate thereof holds the refunded debt, BofA Merrill Lynch or its affiliate, as applicable, would receive a portion of the proceeds from the issuance of the Series 2016 Bonds in connection with such refunded debt being purchased by the Authority.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes and the regulations promulgated thereunder require that the Authority and the City make full and fair disclosure of any bonds or other debt obligations of such entities that have been in default as to payment of principal or interest at any time after December 31, 1975. Neither the Authority nor the City are presently and, since December 31, 1975, neither the Authority nor the City have been in default as to payment of principal or interest on any bonds or other debt obligations they have issued, whether as the principal obligor or as a conduit.

MISCELLANEOUS

There are appended to this Official Statement the Report of the Airport Consultant (APPENDIX A), the Airport Facilities Revenue Bond Resolution (APPENDIX B), the Proposed Amended and Restated Bond Resolution (APPENDIX C), the Rate Resolution and form of Revenue Sharing Agreement (APPENDIX D), the Audited Financial Statements and Report of the Independent Auditors thereon for the Fiscal Years ended September 30, 2015 and 2014 (APPENDIX E), the proposed form of Co-Bond Counsel Opinion (APPENDIX F), the proposed form of Continuing Disclosure Agreement

(APPENDIX G) and the proposed form of Bondholder Consent to Consent Amendments (APPENDIX H). Such Appendices are integral parts of this Official Statement and should be read together with all other parts of this Official Statement.

Any statements made in this Official Statement involving matters of opinion or of estimates or forecasts, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or forecasts will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Holders of the Series 2016 Bonds.

AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT

This Official Statement has been authorized and approved by the Authority. Upon the delivery of the Series 2016 Bonds, each of the undersigned will furnish a certificate on behalf of the Authority to the effect that, to the best of their knowledge, this Official Statement did not, as of its date, and does not as of the date of delivery of the Series 2016 Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which this Official Statement is to be used, or which is necessary in order to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

GREATER ORLANDO AVIATION AUTHORITY

By: /s/ Frank Kruppenbacher
Frank Kruppenbacher, Chairman

By: /s/ Phil Brown
Phil Brown, Executive Director

APPENDIX A

REPORT OF THE AIRPORT CONSULTANT

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September 21, 2016

Mr. Frank Kruppenbacher
Chairman
Greater Orlando Aviation Authority
Orlando International Airport
One Airport Boulevard
Orlando, FL 32827-4399

**Re: Report of the Airport Consultant, Greater Orlando Aviation Authority,
Airport Facilities Revenue Bonds, Series 2016A/B, of the City of Orlando, Florida**

Dear Mr. Kruppenbacher:

We are pleased to submit this Report of the Airport Consultant on certain aspects of the proposed issuance of the Airport Facilities Revenue Bonds, Series 2016A/B (the 2016A/B Bonds) by the Greater Orlando Aviation Authority (the Authority), an agency of the City of Orlando, Florida (the City), to fund a portion of the costs of certain capital improvements (the 2016 Project) at Orlando International Airport (the Airport). This letter and the accompanying attachment and exhibits constitute our report.

The 2016A/B Bonds are being issued under the Airport Facilities Revenue Bond Resolution, as amended and restated on June 24, 2015, as amended and supplemented from time to time and as specifically supplemented by the Supplemental Airport Facilities Revenue Bond Resolution which provides for the issuance of the 2016A/B Bonds, adopted by the Authority on September 21, 2016 (collectively the Senior Bond Resolution).^{*} The bonds issued by the Authority under the Senior Bond Resolution (Bonds) are secured by a pledge of and first lien on Revenues of the Airport System, including Available Passenger Facility Charge (PFC) Revenues. Capitalized terms in this report and not otherwise defined have the meanings given to such terms in the Senior Bond Resolution, the Amended and Restated Master Subordinated Indenture of Trust (as described below), or the preliminary official statement related to the 2016 Bonds.

The net proceeds of the 2016A/B Bonds, and certain investment earnings thereon, will be used to (1) finance a portion of the costs of the 2016 Project (as described below), (2) make a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account to bring the balance therein to equal the Composite Reserve Requirement, (3) fund capitalized interest on the 2016A/B Bonds, (4) refinance certain draws on the Authority's lines of credit (the Lines of Credit), along with associated accrued interest drawn for the 2016 Project, and (5) pay certain costs of issuance of the 2016A/B Bonds.

The Authority is also considering refunding certain Outstanding Bonds simultaneously with the issuance of the 2016A/B Bonds. The Authority's refunding policy requires a minimum present value savings of 3% of the refunded par amount for current refundings and 5% of the refunded par amount for advance

^{*}On September 16, 2015, the Board adopted the Amended and Restated Bond Resolution (the Proposed Amended and Restated Bond Resolution) approving certain amendments to the Senior Bond Resolution (the Consent Amendments) which will not become effective until the Consent Effective Date (as defined later). By purchase of the 2016 Bonds, the holders thereof will have approved the Consent Amendments. At this time, the Authority anticipates receiving necessary bondholder consent to the Consent Amendments to become effective no later than FY 2018.

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refundings. Any potential savings from such a refunding have not been incorporated into the financial forecasts accompanying this report.

The report presents our forecast of passengers enplaning at the Airport and evaluates the ability of the Authority to generate Net Revenues sufficient to satisfy the requirements of the Rate Covenant (defined below) for the forecast period FY 2016 through FY 2023 taking into account the Outstanding Bonds, the 2016A/B Bonds, and Other Future Bonds (as described below) estimated to be required to allow completion of the Authority's 2016 – 2023 Capital Improvement Program.*

Airport System

The Airport is owned by the City and is operated by the Authority as a self-supporting Enterprise Fund, under an agreement that was extended to September 30, 2065, effective October 1, 2015. The Airport is defined as a part of the Airport System under the Senior Bond Resolution.

The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Bonds.

The Airport ranked 15th among U.S. airports in terms of total enplaned passengers in FY 2015 and ranked 6th among U.S. airports in terms of the number of domestic origin-destination (O&D) passengers in FY 2015, after Los Angeles, New York (Kennedy), San Francisco, Chicago (O'Hare), and Las Vegas based on Federal Aviation Administration (FAA) information, and ranked 43rd in the world based on the number of passengers during calendar year 2015 according to Airports Council International (ACI). The Airport is also the top-ranked airport in Florida in terms of both domestic enplaned passengers and domestic O&D passengers.

2016-2023 Capital Improvement Program

In March 2016, the Authority Board (the Board) adopted a capital improvement program (CIP) to accommodate existing and forecast passenger demand at the Airport from FY 2016 – FY 2023 (the 2016 – 2023 CIP) that was based upon recommendations in the Airport master plan approved by the Board in November 2014. The 2016 – 2023 CIP is expected to be amended on September 21, 2016 to reflect the completion of certain projects and other refinements. The 2016 – 2023 CIP is a \$3.0 billion program consisting of:

- Capacity enhancements, renovations, and expansion for the North Terminal Complex (NTC)
- Construction of an Automated People Mover (APM) system complex, including a station and parking garage, that connects the NTC with the proposed South Terminal Complex and Intermodal Transportation Facility (the South APM Complex)

*The Authority's Fiscal Year (FY) ends September 30. The forecast period for the Additional Bonds Test in the Bond Resolution extends three Fiscal Years following the Fiscal Year in which the Consulting Engineer estimates that the Additional Project (in this case the 2016 Project) will be substantially complete, which is estimated to be FY 2018. Therefore, the forecast period for the Additional Bonds Test extends through FY 2021. However, due to the magnitude of the expected future Bonds and the associated capital improvements, at the direction of the Authority, the scope of this report and the forecast period extend through FY 2023 to reflect three full years beyond the expected completion of the South Terminal Complex (STC) as described below.

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- A proposed new South Terminal Complex (STC)
- Other projects to maintain and enhance the Airport

North Terminal Complex Improvements. The improvements for the NTC included in the 2016 - 2023 CIP are designed to (1) increase the capacity limits of various NTC functional elements (e.g., gates, curb, security checkpoint, baggage, etc.), (2) expedite international processing, and (3) improve the overall travel experience. The existing NTC provides 93 gates on four airside. The original North Terminal was designed to accommodate 24 Million Annual Passengers (MAP), which includes enplaned and deplaned passengers. Following the implementation of at least four significant rounds of capacity expansion projects approved in 1997, 2000, 2002, and 2008, the NTC is now estimated to provide a capacity of 40 MAP that may be stressed to serve up to 45 MAP. In FY 2015, the Airport handled 37.7 MAP and reached 40.7 MAP on a rolling 12-month basis in June 2016. The capacity enhancements, renovations, and expansion for the NTC included in the 2016 – 2023 CIP are designed to increase its capacity to 45 MAP. The NTC improvements have an estimated cost of \$574 million.

South APM Complex. The South APM Complex, along with the Intermodal Terminal Facility (ITF), will support future multi-modal travel connections in the vicinity of a planned STC to provide greater connectivity to the region and the State and relieve congestion in the existing NTC. It will also be needed when the STC opens. The South APM Complex includes infrastructure improvements that could accommodate up to four rail systems. The South APM Complex has an estimated cost of \$427 million.

The Authority's 2016 - 2023 CIP does not include the costs to design, permit, or construct the \$220 million ITF, which is being constructed adjacent to the South APM Complex for future rail service to the Airport. The ITF station will be constructed by the Authority with funding of \$211 million from the Florida Department of Transportation (FDOT) and an \$8.7 million capital contribution from Florida East Coast Industries (FECI) for which the Authority has no repayment obligation. FECI is the parent company of All Aboard Florida – Operations, LLC, which plans to launch Brightline, an express intercity passenger rail service that will connect Miami, Fort Lauderdale, West Palm Beach, and Orlando (via the station at the Airport).

2016 Project. The 2016 Project is a subset of the North Terminal Complex Improvements and South APM Complex consisting of (1) the NTC Ticket Lobby Improvements, (2) Airside 4 Improvements, (3) Airsides 1 & 3 APM, (4) the South APM Complex, and (5) the Loop Road System Overlay.

South Terminal Complex. In light of the growth in passengers and continued increases in international service (as described in the report), the Authority authorized staff to proceed in May 2015 with procurement of professional services for design of Phase 1 of the STC and to initiate STC construction when the Airport achieves 38.5 MAP on a cumulative 12-month rolling average for a period of six consecutive months. The 12-month rolling average MAP exceeded 38.5 on a consecutive 6-month threshold in May 2016. A second trigger of 2 million annual international passengers arriving and processed through the FIS was previously met. Design of Phase I of the STC commenced in fall 2015 with 30% design completed in late July 2016, 60% design expected in late November 2016, and 95% construction documents expected in mid-May 2017. Phase I of the STC is currently estimated to cost \$1.8 billion and will include a 16-gate facility to accommodate both international and domestic air

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traffic.* Construction is expected to commence in the first quarter of 2017 with an expected opening in October 2019.

The 2016 - 2023 CIP is comprised of the following major elements:

Other CIP Projects. The Authority has identified a series of improvements included in the 2016-2023 CIP to maintain the airfield, which have been programmed to maximize FAA Airport Improvement Program (AIP) and FDOT grant participation from 2016 – 2023 totaling \$100 million. Ground transportation improvements include the Loop Road System Overlay (which is part of the 2016 Project), a South Airport Cell Lot and Travel Plaza, and extension of Heintzelman Boulevard totaling \$29 million. Other improvements to the Airport include construction of an east apron fuel farm, infrastructure development for Airport commercial development areas, wildlife attractant removal, and fiber infrastructure and IT projects totaling \$106 million.

The 2016 - 2023 CIP along with the renewal and replacement program described below represent, to the Authority's best knowledge and belief at this time, all of the significant capital improvements expected to be undertaken through FY 2023. The Authority reassesses its capital needs at least annually and will modify the 2016 - 2023 CIP as necessary to accommodate demand-driven traffic activity, security needs, and other factors, which could result in increases or decreases to the 2016-2023 CIP, or extend or accelerate the timing to complete certain projects. The Authority plans to continually evaluate construction on such future projects based on demand, cost and funding, as well as other factors.

Funding sources for the 2016 - 2023 CIP. The Authority plans to fund the 2016 - 2023 CIP from a number of sources including FAA AIP grants-in-aid, FDOT grants-in-aid, Transportation Security Administration (TSA) grants, PFC pay-as-you-go revenues, proceeds of Outstanding Bonds, rental car Customer Facility Charges (CFCs), Authority funds, proceeds of the 2016A/B Bonds, Other Future Bonds, and Subordinated Indebtedness as described below. The Authority has FAA approval to fund portions of the South APM Complex with PFC revenues and submitted an application for additional authority to impose PFCs and use PFC revenues for the STC in September 2016.

The projects in the 2016 - 2023 CIP, their estimated project costs, and the funding plan are described in more detail in the attachment and summarized in Table 21. Cost estimates were provided by the Authority and its consultants and include construction, allowances for design development, project and construction management, contingencies, and escalation.

Renewal and Replacement Program

In addition to 2016 - 2023 CIP discussed above, the Authority approves a budget for renewal and replacement (R&R) and capital expenditures on an annual basis for the routine and periodic refurbishment and rehab of existing Airport facilities. The Authority funds such capital expenditures with funds from the Discretionary Fund under the Senior Bond Resolution. The amounts budgeted totaled approximately \$26.6 million in FY 2012, \$31.7 million in FY 2013, \$39.9 million in FY 2014, \$65.9 million in FY 2015, \$47.3 million for FY 2016, and \$47.8 million for FY 2017. It was assumed that beyond

*The 16 gates at the STC are designed for 8 narrow body aircraft gates, 5 Multiple Aircraft Ramp System (MARS) gates, and 3 Group VI aircraft gates (Boeing 747-8 and Airbus 380). The MARS gates have 2 jetways and can accommodate 2 narrow body aircraft at a time. The 16 gates could accommodate 21 narrow body equivalent aircraft.

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FY 2017, \$48 million per year would be spent on renewal and replacement capital expenditures through FY 2019 and \$50 million per year in FY 2020 through FY 2023. The increase in FY 2015 reflects a one-time catchup of R&R projects due to deferrals in prior years.

The Authority expects that the projects included in the 2016 - 2023 CIP, in conjunction with the R&R projects, will provide the necessary Airport facility improvements to satisfy future airline and passenger needs through the forecast period (FY 2023).

The 2016 Project

As shown on Exhibit A-1, the 2016 Project* consists of:

1. ***Ticket Lobby Improvements*** – expansion of the ticket lobbies in Terminals A & B to incorporate new technology and provide greater capacity with an estimated cost of \$146.2 million. Construction began in FY 2015 and substantial completion is expected to occur in October 2017.
2. ***Airside 4 Improvements*** – expansion of Customs and Border Protection (CBP) facilities, addition of international gates to accommodate larger aircraft, and renovation of restroom facilities with an estimated cost of \$129 million. Construction began in FY 2015 and substantial completion is expected to occur in November 2017.
3. ***Airsides 1 & 3 APM*** – train replacements for Airsides 1 & 3 with an estimated cost of \$90 million. Construction began in FY 2014 and substantial completion is expected to occur in March 2018.
4. ***South APM Complex*** – the APM System, APM Station, Parking Facility, and Roadway Systems to provide greater connectivity to the region and the state with an estimated cost of \$426.9 million. Construction began in FY 2015 and substantial completion is expected to occur in August 2017.
5. ***Loop Road System Overlay*** – these improvements to the terminal Loop Road consist of mill and overlay of the existing asphalt pavement, reconstruction of the isolated structurally distressed areas, and new roadway pavement markings and improvements to the roadway lighting. The estimated cost is \$10.5 million with construction expected to begin mid-2017 and substantial completion expected to occur in late 2017.

The estimated cost of the 2016 Project includes all hard costs, soft costs, and contingencies. As of August 9, 2016, four of the five projects have commenced with total contract awards relative to the value of the estimated costs as follows:

- 79% for the Ticket Lobby Improvements
- 87% for Airside 4 Improvements
- 88% for Airsides 1 & 3 APM
- 96% for the South APM Complex

*At the time the 2015 Bonds were issued, the 2016 Project was referred to as the 2015 Project and included all of the same project elements except for the Loop Road System Overlay, which was subsequently added to form the 2016 Project and added to the 2016A/B Bonds financing program.

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Exhibit A-1 also shows the associated sources of funding, including funding from the 2015 Bonds and 2016A/B Bonds.

Plan of Finance

In October 2015, the Authority issued the 2015A Bonds to finance portions of the 2016 Project, which at the time was called the 2015 Project, but did not include the Loop Road System Overlay. The 2016A/B Bonds will complete the financing of the 2016 Project. Specifically, the plan of finance for the 2016 Project is shown on Exhibit A-1 as follows:

- The 2015 Bonds financed the ticket lobby improvements, Airside 4 improvements, and a portion of the cost for the Airsides 1 & 3 APM train replacements.
- The 2016A/B Bonds will finance the remaining costs of the Airside 1 & 3 APM train replacements, the costs of the South APM Complex, and the Loop Road System Overlay.

The Authority has financed portions of the costs of the 2016 Project with proceeds of the 2015A Bonds as well as on an interim basis using its Lines of Credit. The 2016A/B Bonds will provide proceeds to fund costs of the 2016 Project and/or repay draws on the Lines of Credit and their associated interest expense.

As noted earlier, the Authority is also considering refunding all or a portion of the Authority's (1) Airport Facilities Revenue Bonds (AMT), Series 2009C and (2) Airport Facilities Revenue Bonds (AMT), Series 2010A (collectively, the Refunded Bonds) with a portion of the proceeds of the 2016C Bonds. Any potential savings from the refunding of the Refunded Bonds has not been incorporated into the financial forecasts accompanying this report. In addition, the Authority is considering refunding the 2007A Bonds with a bank loan in early 2017 to achieve savings and smooth overall aggregate debt service, the effects of which have also not been incorporated into the financial forecasts for purposes of this report.

2016A/B Bonds

Estimated Debt Service requirements for the proposed 2016A/B Bonds, which are presented in Exhibit C, were provided by Raymond James & Associates (Raymond James), one of the independent registered municipal advisors to the Authority, assuming an all-in interest cost of [4.10%]. The PFC-backed portion of the 2016A/B Bonds has a 30-year term with no capitalized interest and amortization starting in FY 2017. The non-PFC portion of the 2016A/B Bonds has a 30-year term with interest capitalized for the South APM through August 1, 2017, the Airside 1 & 3 APM train replacements through March 1, 2018, and the Loop Road through December 1, 2017. Approximately 51% of the principal amount of the 2016A/B Bonds is assumed to be PFC-backed Bonds.

Proposed Other Future Indebtedness

Regarding the financing of the STC and other 2016 – 2023 CIP projects, Raymond James assumed that the Authority would issue Additional Bonds in each of April 2017, and October 2017, 2018, and 2019 to finance portions of the construction of the STC and certain other 2016 – 2023 CIP projects (collectively, the Other Future Bonds). Raymond James also assumed that the Authority would issue future Priority Subordinated Indebtedness to finance portions of the construction of the STC in April 2017, October 2018, and October 2019 (Future Subordinated Indebtedness and, together with the Other Future Bonds, Other Future Indebtedness). It was assumed that 50% of the non-PFC-backed portion of the STC bonds

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September 21, 2016

would be issued as Priority Subordinated Indebtedness and 50% as Other Future Bonds. The PFC-backed portion was assumed to be all Other Future Bonds. Estimated Debt Service requirements for the proposed Other Future Indebtedness were provided by Raymond James.

Financing Assumptions

The interest rate assumptions for the 2016A/B Bonds and Other Future Indebtedness were developed by Raymond James using AAA municipal yields as of August 1, 2016, plus assumed yield spreads based on similarly-rated airport transactions as set forth in Table 24.

Airport Facilities Bond Resolution

The Authority issues Bonds pursuant to the Senior Bond Resolution under which The Bank of New York Mellon Trust Company, N.A, serves as Trustee. In September 2015, the Authority and City approved certain amendments (Consent Amendments) to the Senior Bond Resolution, which are subject to required bondholder and other consents. The Consent Amendments include, among other things, substantive changes to certain definitions, the Additional Bonds test, the flow of funds (in particular, creation of deposits for Secondary Subordinated Indebtedness), and the Rate Covenant, and the addition of a Released Revenues concept, along with numerous other changes to improve the Authority's flexibility and clarify the Authority's rights and obligations in a manner consistent with many modern bond resolutions.

At this time, the Authority anticipates receiving the requisite consent of the Bond holders to the Consent Amendments no later than FY 2018 (Consent Effective Date). Accordingly, for purposes of the financial forecasts, it was assumed that the Consent Amendments would be in effect as of FY 2018. However, it is not possible to predict the actual timing for receipt of the requisite consent of bondholders, which could occur earlier than or subsequent to the currently anticipated timing. This would affect certain of the assumptions used to forecast debt service coverage under the Rate Covenant.

Currently, Revenues are generally defined as all income and revenues received by the Authority from the operation of the Airport, PFC revenues only to the extent they constitute Available PFC Revenues for the applicable period, and income from Special Purpose Facilities which are not pledged to the payment of obligations issued to finance such Special Purpose Facilities. Revenues do not include, among other things, grants-in-aid for capital projects or CFCs to the extent pledged to repay obligations issued to build rental car facilities.* Upon the Consent Effective Date, Available Revenues (including Available PFC Revenues) that have been irrevocably committed pursuant to a Supplemental Resolution for the purpose of paying principal or interest on Bonds may be disregarded and not included in the definition of Revenues. Accordingly, debt service payable from such Available Revenues may be disregarded and not included in calculating Debt Service. In addition, upon the Consent Effective Date, CFCs would be excluded from Revenues except to the extent that the Authority specifies them in a Supplemental Resolution as Available CFC Revenues.

*CFCs are paid by rental car customers. Currently, all CFCs are pledged to repay the Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Series 2009, which were issued to build rental car facilities, through FY 2016. The Series 2009 Bonds mature in FY 2017 and the FY 2017 debt service is payable from the debt service reserve. The Authority intends to apply CFCs to pay project costs related to the proposed south parking garage in the South APM Complex at the Airport, which is part of the 2016 Project.

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Prior to the Consent Effective Date, Available PFC Revenues are the portion of PFC Revenues received by the Authority for PFC-eligible project costs financed with Bonds equal to 1.25 times the Debt Service accruing during an applicable period for Bonds issued to finance PFC projects. PFC Revenues that are not Available PFC Revenues do not constitute Revenues and are not subject to the pledge and lien established by the Senior Bond Resolution. Available PFC Revenues are deposited into the Revenue Fund each year and the 25% attributable to rolling coverage flows into the PFC Account in the Discretionary Fund at the end of each Fiscal Year, and then flows back to the PFC Fund. Upon the occurrence of the Consent Effective Date, Available PFC Revenues will no longer be included in Revenues, but instead debt service on Bonds allocated to funding PFC eligible projects will be deducted from Debt Service.

Operation and Maintenance Expenses (O&M Expenses) consist of the Authority's expenses for operation, maintenance, repairs, ordinary replacement, and ordinary reconstruction of the Airport but do not include any capital cost or any allowance for depreciation or any operation or maintenance costs for non-Authority-owned Special Purpose Facilities.

In Section 711 of the Senior Bond Resolution (the Rate Covenant), the Authority covenants that it will fix, prescribe, and collect fees and other charges for the use of the Airport so as to produce Net Revenues, after deposit into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund, and the Renewal and Replacement Fund, plus Supplemental Revenues, an amount at least equal to 1.25 times the Aggregate Debt Service on Outstanding Bonds for each Fiscal Year, and to pay all indebtedness, deposits, and liens payable out of Revenues or Available Revenues. At this time, the Authority has no plans to budget amounts for the Capital Expenditure Fund or Renewal and Replacement Fund.

For purposes of demonstrating compliance with the Rate Covenant, Debt Service is defined in the Senior Bond Resolution to exclude the payment of principal of and interest on indebtedness for which funds are, or are reasonably expected to be, available for and which are irrevocably committed to make such payments, including any such funds in an escrow account or any such funds constituting capitalized interest.

Under Section 204 of the Senior Bond Resolution, certain conditions must be met before Additional Bonds may be issued to pay the Cost of Construction of any Additional Project. These conditions require, among other things, that estimates of Net Revenues less amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund, and the Renewal and Replacement Fund (until the Consent Effective Date when such amount shall be Net Revenues only), shall equal at least 1.25 times Aggregate Debt Service on (1) Outstanding Bonds, (2) the Additional Bonds, and (3) any future bonds that may be required to finance the cost of the Additional Project or any uncompleted Project. The estimates of Net Revenues must satisfy these obligations for each of the three Fiscal Years following the Fiscal Year in which the Consulting Engineer estimates that the Additional Project will be substantially completed and placed in service. This provision of the Senior Bond Resolution is referred to as the Additional Bonds Test.

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Master Subordinated Indenture of Trust

Under the Senior Bond Resolution, the Authority has the right to issue Subordinated Indebtedness that is subordinate to the Bonds issued under the Senior Bond Resolution as to the pledge of, lien on, and payment from Revenues.

The Authority issues Subordinated Indebtedness pursuant to the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the Subordinated Indenture) under which U.S. Bank National Association, serves as Trustee. The Subordinated Indenture provides for the issuance of both Priority Subordinated Indebtedness and, after the Consent Effective Date, Secondary Subordinated Indebtedness, as contemplated by the Senior Bond Resolution. In addition, the Subordinated Indenture authorizes the Authority to enter into and have outstanding Other Parity Indebtedness, consisting of Line of Credit Indebtedness in an aggregate principal amount not to exceed \$550 million and FDOT Indebtedness in an aggregate principal amount not to exceed \$55 million. All Other Parity Indebtedness constitutes Priority Subordinate Indebtedness until the Consent Effective Date. Upon the Consent Effective Date, all amounts outstanding under the Existing Lines of Credit will automatically become Secondary Subordinated Indebtedness. The Authority's repayment obligations under the FDOT Indebtedness will remain Priority Subordinated Indebtedness after the Consent Effective Date.

The Authority has entered into Line of Credit agreements with three banks: Bank of America, N.A., PNC Bank, National Association (PNC), and Wells Fargo Bank, National Association. The PNC line of credit expires on November 6, 2016. The Authority expects to replace the PNC Line of Credit prior to its expiration.* Bank of America and Wells Fargo Bank have agreed that on the Consent Effective Date, the reimbursement obligations under their respective lines of credit agreement will automatically be converted to Secondary Subordinated Indebtedness under the Subordinated Indenture.

The FDOT Indebtedness currently includes a Joint Participation Agreement the Authority entered into with FDOT under which FDOT will provide approximately \$211 million of funds for construction of the ITF, of which approximately \$52.7 million will be repaid by the Authority as Priority Subordinated Indebtedness, without interest, over an 18 year term commencing January 1, 2020, and the balance will be a grant.

Certain terms in the Subordinated Indenture are identical to those in the Senior Bond Resolution, including the definitions of Revenues, Operation and Maintenance Expenses, Net Revenues, and Aggregate Debt Service. Under the Subordinated Indenture, Available Net Revenues are defined as all Revenues after deposits to the Operation and Maintenance Fund, the Debt Service Account, and the Debt Service Reserve Account (to the extent the Debt Service Reserve Requirement is not met). Aggregate Annual Subordinated Debt Service is defined as the aggregate amount of Annual Debt Service on all Outstanding Subordinated Obligations and Unissued Subordinated Program Obligations. Unissued Subordinated Program Obligations are short term indebtedness designated as such by the Authority and all such authorized obligations are treated as outstanding for purposes of calculating Aggregate Annual Subordinated Debt Service (whether or not then issued). Short Term Subordinated Obligations are Subordinated Obligations issued as Commercial Paper, Line of Credit Indebtedness, or Notes for interim financing. For Short Term Subordinated Obligations other than Unissued Subordinated Program Obligations, the principal and interest is calculated based on projections of a Consultant for the actual

*The \$200 million Bank of America Line of Credit expires April 1, 2017, and the \$250 million Wells Fargo Line of Credit expires June 29, 2018.

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amount disbursed assuming that interest is capitalized for a specified period and that at the end of the capitalized interest period, the Short Term Subordinated Obligations are refunded with the proceeds of Subordinated Bonds bearing interest at a rate determined by the Consultant on the date of the projection to be a reasonable market rate for fixed-rate Subordinated Bonds of a corresponding term.

In Section 10.01 of the Subordinated Indenture (the subordinate rate covenant), the Authority covenants that it will fix, prescribe, and collect fees and other charges for the use of the Airport so as to produce Available Net Revenues plus prior to the Consent Effective Date, PFC Revenues, or on and after the Consent Effective Date, Available Revenues (and any Transfers) in an amount at least equal to:

- 1.10 times the Aggregate Annual Subordinated Debt Service on all Outstanding Priority Subordinated Indebtedness and
- 100% of the aggregate amount required to be applied and/or deposited during the Fiscal Year to (1) pay Priority Subordinated Debt Service, (2) make any deposits to the Priority Subordinated Debt Service Reserve Fund to equal the Reserve Requirement, (3) pay all principal, premium, and interest on all Secondary Subordinated Indebtedness, and (4) make any deposits to the Secondary Subordinated Debt Service Reserve Fund to equal the Reserve Requirement

The rate covenant for Secondary Subordinated Indebtedness is to pay 100% of all Subordinated Indebtedness and reserve funding requirements from Available Net Revenues.

Under Section 4.10 of the Subordinated Indenture, certain conditions must be met before Priority Subordinated Indebtedness may be issued for the purpose of financing, acquiring, constructing, improving, or completing Additional Projects, or for the purpose of refunding or paying any outstanding obligation of the Authority. The Authority can issue additional Priority Subordinated Indebtedness if either a historical or prospective test is met:

- Historical – Available Net Revenues for 12 consecutive months out of the preceding 24 months from the date of issuance were at least equal to 110% of Aggregate Annual Subordinated Debt Service due in such 12-month period for all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations, and the proposed Series of Priority Subordinated Indebtedness (assuming they were then Outstanding).
- Prospective – Available Net Revenues are estimated to be at least equal to 110% of Aggregate Annual Subordinated Debt Service on all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations, and the proposed Series of Priority Subordinated Indebtedness through the later of: (a) the third full Fiscal Year following the issuance of the proposed Priority Subordinated Indebtedness, or (b) the second full Fiscal Year during which no interest on the proposed Priority Subordinated Indebtedness is expected to be paid from the proceeds.

PFC Program

The Authority has received approval from the FAA to collect and use PFCs under 16 applications for a total of \$2.79 billion in collection authority. Through June 30, 2016, total PFC Revenues received by the Authority, including investment earnings, totaled \$1.2 billion, of which \$934 million had been expended on approved project costs. The Authority is currently authorized to impose a PFC of \$4.50 per enplaned passenger at the Airport and expects to amend and/or blend its existing PFC applications and submit a

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new application for the STC (at the \$4.50 level) to maintain a collection level of \$4.50 per enplaned passenger throughout the forecast period. The PFC level will decline to \$3.00 per enplaned passenger when total PFC revenues collected reach \$1.64 billion (estimated to occur in FY 2022) if the Authority does not amend and/or blend its current PFC applications.

Several issues of Bonds are outstanding under the Senior Bond Resolution for which the Authority designated portions of projects to constitute a PFC project thereby permitting PFC revenues up to 1.25x debt service on such portion of the Bonds to be included in the calculation of Available PFC Revenues for purposes of the Senior Bond Resolution prior to the Consent Effective Date.

Existing PFC-use approval is reflected in the financial forecasts presented in this report, including the authorization to use PFC revenues to pay a portion of the debt service attributable to the Outstanding Bonds (Series 2009C Bonds, Series 2010A/B Bonds, Series 2011A/B/C/D Bonds, Series 2012A Bonds, Series 2015A Bonds), the 2016A/B Bonds, and the Other Future Indebtedness as well as for approved pay-as-you-go PFC expenditures. The Authority received FAA approval to impose and use a \$3.00 per enplaned passenger PFC for the South Airport APM Complex, which is part of the 2016 Project, on July 11, 2014.

The Authority intends to apply for approval to impose and use PFCs at the \$4.50 level to fund portions of the STC with PFCs in September 2016 and to designate the project as a PFC project with allocated debt service payable from Available PFC Revenues. The FAA's Final Agency Decision is expected in December 2016. PFC-use approval expected for future applications on both a pay-as-you-go basis and leveraged basis is also reflected in the financial forecasts presented in this report.

Airline Rate Resolution and Rate and Revenue Sharing Agreement

On October 16, 2013, the Authority adopted a resolution (the Rate Resolution) that (1) establishes the terms and conditions for airlines operating at the Airport, (2) establishes the methodology for setting certain airline rates and charges for the Airport, and (3) authorizes the Authority's Executive Director to enter into Letters of Authorization with airlines for the use and occupancy of terminal space at the Airport. On August 10, 2016, the Authority amended the Rate Resolution, to be effective October 1, 2016.

The documents underlying the airline ratemaking regime in the Rate Resolution include:

1. Rate Resolution
2. Rate Methodology
3. Operating Permit
4. Letter of Authorization (LOA)
5. Rate and Revenue Sharing Agreement
6. Authority Policies and Procedures

Together these documents take the place of the previous Airline-Airport Lease and Use Agreement, which terminated on November 1, 2013.

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The Rate Resolution applies to all airlines operating at the Airport and/or making use of the Airfield or Terminal, whether or not such airline specifically agrees in writing to its terms. All airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an airline in connection with its operations shall constitute the agreement by such airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges described or authorized in the Rate Resolution.

Each airline is offered the opportunity to execute a Letter of Authorization to commit to certain exclusive or preferential space and obtain the benefit of rates that are calculated on a square footage basis (i.e., fixed monthly charge for assigned space). LOAs are also available to airlines wishing to rent space other than holdrooms, ticket counters, bag make-up, and apron areas. Space (other than Exclusive Premises) not subject to an LOA may be used by the airline on a common use basis, but is charged on a per-turn fee or other activity basis.

The Rate Resolution, Rate Methodology, Operating Permits, and LOAs set forth the (1) the methodology for calculating the applicable rates and charges for airline use of airfield and terminal facilities at the Airport, (2) the space, if any, assigned to each airline on an exclusive or preferential use basis for its use, (3) the timing and manner of required payments of rates and charges, and (4) other applicable operating conditions and requirements at the Airport. Prior to the start of each Fiscal Year, the Authority establishes rates to be in effect for the subsequent Fiscal Year.

The calculation of Landing Fees is based on a cost center residual method that credits to the Airfield Cost Center non-airline Revenues derived from Airfield use. The calculation of the Terminal Premises Rate is based upon a commercial compensatory method that allocates to the Airlines the cost of the space they use plus their proportionate share of the costs of non-rentable Terminal space. The Authority intends to determine a single rental rate per square foot of terminal space applicable to both the NTC and STC. The Authority's compensatory rate methodology is designed to recover from the air carriers using the Airport their fairly allocated share of Airport costs in accordance with U.S. Department of Transportation (USDOT) policy and applicable law.

Under the Rate and Revenue Sharing Agreement, airlines that (a) commit to the preferential assignment of at least one gate and associated space through the term of the agreement, and (b) agree not to challenge the rate methodology set forth in the Rate Resolution and not to finance or otherwise participate in any challenge of the rate methodology, are entitled to obtain the benefits of revenue-sharing (the Participating Airlines). In addition, the Authority has committed to not change the ratemaking methodology through the term of the agreement subject to any changes that might be required by the USDOT, FAA, or court order.

As set forth in the Rate and Revenue Sharing Agreement that expires September 30, 2016, Net Shared Revenues are equal to (a) all Revenues generated by the operation of the Airport for a Fiscal Year (excluding Revenues generated from Airport Exclusive Revenue Sources) less (b) all Debt Service and Operating Expenditures (including Operating Reserve Requirements) in excess of \$45 million in FY 2014, \$50 million in FY 2015, and \$55 million in FY 2016. The Participating Airlines account for approximately 94% of the passenger market share at the Airport in FY 2016.

The Authority is finalizing negotiations with the Participating Airlines for a new Rate and Revenue Sharing Agreement to extend from October 1, 2016 to September 30, 2019 (FY 2017 through FY 2019).

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On August 10, 2016, the Authority approved the new rate methodology and Rate and Revenue Sharing Agreement that becomes effective October 1, 2016. These documents are essentially the same as the existing regime with modest refinements to the ratemaking provisions and a modified revenue sharing arrangement. Under the new revenue sharing arrangement the Authority would retain (1) the first \$65 million in net remaining revenues, (2) 35% of the next \$39 million in remaining revenues for FY 2017, \$40 million for FY 2018, and \$58 million for FY 2019, and (3) after crediting the next \$10 million to the Participating Airlines for each Fiscal Year, retain 35% of any additional amounts remaining for each Fiscal Year. The rest of the remaining revenues will be credited to the Participating Airlines.

In developing the financial forecasts, it was assumed that the ratemaking procedures under the new Rate Methodology, Rate Resolution, and Rate and Revenue Sharing Agreement would remain in effect through the forecast period.

Scope of Report

The report was prepared to address the ability of the Authority to meet the requirements of the rate covenant under the Senior Bond Resolution and the Subordinated Indenture in the forecast period, FY 2016 through FY 2023, taking into account the Outstanding Bonds, the proposed 2016A/B Bonds, and the Other Future Indebtedness. In conducting our study, we analyzed:

- Future airline traffic demand at the Airport, giving consideration to the demographic and economic characteristics of the airport service region; historical trends in airline traffic; airline mergers and acquisitions; recent airline service developments and airfares; and other key factors that may affect future airline traffic.
- The status of, estimated costs, and proposed funding plan for the 2016 - 2023 CIP, including the 2016 Project and proposed STC.
- The Consulting Engineer's Report for the 2016A/B Bonds.
- Debt Service requirements and cost center allocations on the currently outstanding Bonds and Subordinated Indebtedness.
- Estimated sources and uses of funds and associated annual Debt Service requirements of the 2016A/B Bonds and the Other Future Indebtedness expected to complete the financing of the projects comprising the 2016 - 2023 CIP as provided by Raymond James. Debt service for Lines of Credit (Short Term Subordinated Obligations other than Unissued Subordinated Program Obligations), are based on projections of such amounts at the end of the expected capitalized interest period assuming the Lines of Credit are refunded with the proceeds of fixed-rate Subordinated Bonds. As noted earlier, we have not incorporated into our analysis any potential savings from a refunding as part of the 2016 Bonds financing program.
- Projections indicating the expected Consent Effective Date would no later than FY 2018.
- Historical and estimated future PFC Revenues and the allocation by an Authorized Officer of the Authority of certain future Additional Bonds to the financing of PFC Projects. A \$4.50 PFC collection level has been assumed for the forecast period.

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- The Authority's intended use of PFC Revenues during the forecast period, including the payment of Debt Service and pay-as-you-go project expenditures.
- The Authority's air carrier consultation book for Amendment to PFC Applications #7, 8, and 16 and New PFC Application #18, which includes the STC.
- Historical relationships among revenues, expenses, and airline traffic for the Airport.
- The facilities expected to be provided, as included in the 2016 - 2023 CIP, and other operational considerations affecting Airport revenues and expenses, including estimates of future O&M Expenses as provided by the Authority and its consultants.
- Audited financial results for the Airport for FY 2015.
- The FY 2016 budget and preliminary FY 2017 budget for the Authority and associated airline rates and charges.
- The ratemaking procedures under the Rate Resolution, Rate Methodology, Operating Permits, LOAs, and Rate and Revenue Sharing Agreement, and those proposed under new procedures to become effective October 1, 2016.
- Other contractual agreements relating to the use and lease of the Airport such as the operation of public automobile parking and other concession and service privileges, and the leasing of buildings and grounds.

We have relied upon the Authority and its engineering and construction consultants for estimates of project costs and construction schedules for the 2016 Project and other projects in the 2016 - 2023 CIP, and upon one of the Authority's independent registered municipal advisors (Raymond James) for the plan of debt finance and estimated debt service requirements for the proposed 2016A/B Bonds, and Other Future Indebtedness for financial modeling purposes.

We also identified key factors upon which the future financial results of the Airport may depend and, with Authority management, formulated assumptions about those factors. On the basis of those assumptions, we assembled the financial forecasts presented in the accompanying exhibits provided at the end of this report.

Forecast Debt Service Coverage and Rate Covenant Compliance

As shown in the table on the following page and Exhibit G at the end of the report, Net Revenues after required deposits to the Operation and Maintenance Reserve Account (i.e., Net Revenues available for debt service) are forecast to be at least 1.25 times the Aggregate Debt Service on the Outstanding Bonds, the 2016A/B Bonds, and the Other Future Bonds, which are collectively identified as "Bonds" in the table. In addition, Available Net Revenues are forecast to be at least 1.10 times the Annual Aggregate Debt Service on the Priority Subordinated Indebtedness and 100% of debt service on all Subordinated Indebtedness. These forecast results indicate compliance with the rate covenants of both the Senior Bond Resolution and Subordinated Indenture during the forecast period.

Upon the Consent Effective Date, the reimbursement obligations under the currently outstanding Lines of Credit will automatically be converted from Other Priority Indebtedness to Secondary Subordinated Indebtedness. Also upon the Consent Effective Date, Available PFC Revenues to pay Debt Service will no

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longer be included in Revenues, but PFC eligible debt service will be treated as an offset to Debt Service on Bonds. As indicated in the table on the following page, it was assumed that the Consent Amendments would become effective in FY 2018.

The proposed Consent Amendments to the Senior Bond Resolution also permit the addition of Transfers to Net Revenues in computing the debt service coverage requirement. With respect to the Rate Covenant, under the Senior Bond Resolution Transfers are limited to no more than 25% of Debt Service payable in the Fiscal Year from amounts on deposit in the Discretionary Fund and under the Subordinated Indenture Transfers are limited to no more than 10% of the Aggregate Annual Debt Service on Priority Subordinated Indebtedness. Transfers are not included in the calculation of debt service on the table or in Exhibit G.

FORECAST RATE COVENANT COMPLIANCE
Orlando International Airport
(in thousands, except coverage)
(for the 12 months ending September 30)

Airport Facilities Revenue Bonds								Subordinated Indebtedness		
Fiscal	Net	Less Fund	Net Revenues	Total	Less	Debt		Net	Priority	Debt
Year	Revenues	Deposit	Available for	Debt	PFC	Net Debt	Service	Available	Subordinated	Service
		Requirements	Debt Service ¹	Service ²	Revenues ³	Service	Coverage	Revenues	Indebtedness ⁴	Coverage
	A	B	A - B = C	D	E	D - E = F	= C / F	A - F = G	H	= G / H
2016	\$ 230,577	\$ (3,054)	\$ 227,523	\$ 115,455	\$ -	\$115,455	1.97	\$115,122	\$ 15,402	7.47
2017	259,118	(4,555)	254,563	129,910	-	129,910	1.96	129,207	7,558	17.09
2018	208,263	-	208,263	148,053	(51,678)	96,375	2.16	111,889	7,557	14.81
2019	212,948	-	212,948	150,038	(65,635)	84,404	2.52	128,545	9,195	13.98
2020	204,907	-	204,907	177,137	(66,891)	110,246	1.86	94,661	36,774	2.57
2021	202,638	-	202,638	176,764	(66,882)	109,882	1.84	92,756	36,849	2.52
2022	187,552	-	187,552	151,808	(66,890)	84,919	2.21	102,633	36,906	2.78
2023	188,247	-	188,247	136,575	(66,889)	69,686	2.70	118,561	44,751	2.65

Source: Debt service: Greater Orlando Aviation Authority and Raymond James.
Net Revenues, Net Available Net Revenues, and coverage: LeighFisher.

- Notes: 1. Includes Available PFC Revenues and is net of deposits to the O&M Reserve Account until the Consent Effective Date (estimated to occur in FY 2018).
2. Includes actual debt service on all Outstanding Bonds (through Series 2015A), and estimated debt service on the 2016A/B Bonds and the Other Future Bonds (as provided by Raymond James), net of capitalized interest. Does not reflect any potential savings from a refunding of the Refunded Bonds.
3. Reflects the revised treatment of Available PFC Revenues and PFC eligible debt service as an offset to Debt Service instead of inclusion in Revenues upon the Consent Effective Date (estimated to occur in FY 2018).
4. Includes actual debt service on all Outstanding Subordinated Indebtedness plus projected debt service on other Priority Subordinated Indebtedness for amounts expected to be issued for the STC.

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The 2016A/B Bonds are considered Additional Bonds under the Senior Bond Resolution. We will separately provide, by documentation outside of this report, the information needed from the Airport Consultant pursuant to the Senior Bond Resolution, which the Authority will use to demonstrate compliance with the test for the issuance of Additional Bonds. The Authority is expected to meet the requirements of the Additional Bonds test.

Assumptions Underlying the Financial Forecasts

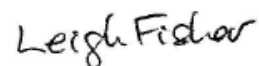
The forecasts in this report are based on information and assumptions that were provided by or reviewed with and agreed to by Authority management. The forecasts reflect Authority management's expected course of action during the forecast period through FY 2023 and, in Authority management's judgment, present fairly the expected financial results of the Airport. Those key factors and assumptions that are significant to the forecasts are set forth in the attachment, "Background, Assumptions, and Rationale for the Financial Forecasts." The attachment should be read in its entirety for an understanding of the forecasts and the underlying assumptions.

In our opinion, the underlying assumptions provide a reasonable basis for the forecasts. However, any forecast is subject to uncertainties. Inevitably, some assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there will be differences between the forecast and actual results, and those differences may be material. Neither LeighFisher nor any person acting on our behalf makes any warranty, express or implied, with respect to the information, assumptions, forecasts, opinions, or conclusions disclosed in the report. We have no responsibility to update this report to reflect events and circumstances occurring after the date of the report.

* * * * *

We appreciate the opportunity to serve as the Authority's Airport Consultant in connection with this proposed financing.

Respectfully submitted,



LEIGHFISHER

Attachment

BACKGROUND, ASSUMPTIONS, AND RATIONALE
FOR THE FINANCIAL FORECASTS

Greater Orlando Aviation Authority

Orlando International Airport

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AIRLINE TRAFFIC ANALYSIS

This section provides a summary of existing Airport facilities, a description of the region served by the Airport, a description of the role of the Airport, the economic basis for airline traffic at the Airport, key factors affecting future airline traffic, and forecasts of enplaned passengers and aircraft landed weight.

AIRPORT FACILITIES

Orlando International Airport (the Airport or MCO) occupies approximately 13,430 acres of land on a site nine miles southeast of downtown Orlando in Orange County. The Airport has four north-south commercial aircraft runways and a midfield passenger terminal complex.

Airfield

Runway 17R/35L is 10,000 feet long, Runway 17L/35R is 9,000 feet long, and Runways 18L/36R and 18R/36L are both 12,000 feet long. All four runways have full instrumentation and lighting to permit all weather operations and are capable of handling all commercial aircraft currently in use, with Runway 18R/36L capable of accommodating new large aircraft (e.g., the Airbus A380). The spacing between sets of parallel runways is adequate to allow triple simultaneous approaches under FAA instrument flight rules. The runways are supported by a network of taxiways, aprons, and hold areas. Three crossover taxiways connect the runways on either side of the terminal complex.

North Terminal Complex

The North Terminal Complex consists of the landside terminal, four airside buildings with associated aircraft parking aprons and connecting taxiways, automated people movers connecting the landside terminal to the airside buildings, an in-terminal hotel, a terminal roadway system with associated signage, ground level and structured parking for automobiles, rental car facilities, landscaping, a hydrant fueling storage and distribution system, a flood control bypass canal, and utilities and drainage.

The landside terminal and airside buildings provide approximately 3.5 million square feet of enclosed space, excluding the hotel, which comprises an additional 807,000 square feet. On a gross square footage basis, the NTC, including the hotel, the unenclosed roadways under the landside terminal, and the terminal rooftop parking, comprises approximately 6 million square feet. The north and south sides of the landside terminal are known as Terminals A and B, respectively. The airside buildings are known as Airsides 1, 2, 3, and 4.

Figure 1 shows the layout of the landside terminal, airside buildings, automated people movers, and garages in the North Terminal Complex. Areas to the south have been reserved for future development of the South Terminal Complex (STC) and will accommodate the South Airport Automated People Mover (APM) Complex and Intermodal Terminal Facility (ITF) that are under construction.

The landside terminal has 10 levels. Level 1 accommodates ground transportation functions, including staging and parking areas for buses, limousines, and taxis as well as a tunnel under the terminal roadway system to connect passengers to parking facilities. Level 2 accommodates arrival and baggage claim functions, including space for rental car and bus check-in counters. Level 3 accommodates airline ticketing and departure functions and most of the landside terminal space allocated to food/beverage and retail merchandise concessions.

Figure 1
NORTH TERMINAL COMPLEX LAYOUT – ORLANDO INTERNATIONAL AIRPORT



Source: Greater Orlando Aviation Authority.

A 445-room hotel with restaurants and conference facilities is an integral part of the landside terminal and is directly accessible from Level 3, the departure level. The hotel occupies Levels 4 through 10 on the eastern-most portion of the landside terminal. Except for the hotel areas, Levels 4 through 10 accommodate parking.

The landside terminal is connected by automated people movers to the four airside buildings. The airside buildings and aprons provide 93 contact aircraft gates for jet aircraft and associated passenger waiting areas, concessions, and airline operations space. Of the 93 jet aircraft gates, 64 gates are assigned on a preferential use basis to airlines signing Letters of Authorization (LOA) and the remaining gates are available for use on a per-turn basis. Federal Inspection Services (FIS) facilities are provided in airside buildings 1 and 4 and can accommodate international arrivals at 16 gates. Combined FIS throughput capacity can accommodate approximately 2,600 arriving

international passengers per hour. In addition to the 93 contact aircraft gates, the terminal apron provides aircraft parking for 16 commuter aircraft positions and 22 remain-over-night (RON) spaces.

Roadway System and Public Parking Facilities

The North Terminal Complex is served by a three-level roadway system that provides access to separate enplaning, deplaning, and commercial vehicle curbsides on the north (Terminal A) and south (Terminal B) sides of the landside terminal at Levels 1, 2 and 3. Public parking spaces are located on levels 3 through 6 of the garages adjacent to the landside terminal.

There are 20,310 public parking spaces located on the Airport, including 8,949 garage spaces and 11,361 satellite (economy) parking spaces located at remote lots to the north and south of the North Terminal Complex.

Rental Car Facilities

Rental car ready/return stalls are located on levels 1 and 2 of the garages adjacent to the landside terminal. Adjacent to the garages at grade level (level 1) there are Quick Turnaround Areas (QTA) for stacking, cleaning, fueling, washing, and staging cars prior to moving them into the ready car spaces in the garage. Expanded rental car facilities opened on April 1, 2010.

Currently, five “companies” representing 10 brands of rental car companies, which collectively accommodate more than 95% of the Airport rental car market, operate on-Airport from the garages – (1) Avis Budget Group, LLC (Avis and Budget brands), (2) DTG Operations, Inc. (Dollar and Thrifty brands), (3) Enterprise Holdings (Enterprise, Alamo, and National brands), (4) The Hertz Corporation (Hertz brand), and (5) Advantage Opco, LLC (Advantage, and EZ Rent A Car brands). Off-Airport operators currently include Payless and some smaller specialty and local operators.

In addition to these facilities, both Avis Budget and Enterprise maintain support facilities on Airport property on Hangar Boulevard and Cargo Road.

Ground Access

The Airport is served by a combination of state roads and interstates that allow for convenient access to Orlando and the major attractions. It can be accessed directly from the north or south using Jeff Fuqua Boulevard, which forms a loop around the Airport. On the north side of the Airport, SR 528 (“Beachline Expressway”) connects to Interstate-4 (I-4) in the west, the Central Florida Greenway (SR 417 or Greenway) on the east, and Interstate-95 (I-95) on the East Coast. I-4 is approximately 11 miles from the Airport. I-4 starts in Tampa, runs northeast and passes just west of downtown Orlando before ending near Daytona Beach. The Greenway forms a half loop around the City of Orlando and connects with I-4 southwest of the Airport, passes directly south of the Airport before turning north and passes just east of downtown Orlando. The Florida Turnpike passes the Greenway west of the Airport and has recently added an interchange that connects the Florida Turnpike and the SR 417. The Turnpike then continues northwest connecting with I-4 and continuing to the north to locations such as the Villages, Ocala and Gainesville. North of the Airport is Semoran Boulevard (SR 436) which heads directly north, passing through the eastern side of downtown Orlando. SR 436 to SR 408 is the most direct route to downtown Orlando, which is approximately nine miles northwest of the Airport.

Commercial Property Development and Other Facilities

The Authority has pursued aviation and commercial development of the Tradeport Drive corridor on the west side of the Airport, the Heintzelman Boulevard corridor on the east side of the Airport, and the Poitras property located south of the Airport. The Tradeport area comprises approximately 1,000 acres and the Heintzelman Boulevard corridor comprises approximately 440 acres. The Authority's 1,854-acre Poitras property is adjacent to the Lake Nona/Medical City campus. The Authority's commercial development property will allow it to participate in the continued economic growth of the region as described in the next section.

Facilities at the Tradeport include a long-term public parking lot, air cargo aircraft parking and cargo handling facilities, two fixed base operator facilities (Signature Flight Support and Atlantic Aviation), an aircraft fuel farm, aircraft maintenance hangars and shops, a U.S. Department of Agriculture inspection station, a regional U.S. Postal center, a United Airlines major maintenance facility, Federal Express sorting facility, Cessna Aircraft Company Citation Service Center, FlightSafety International pilot training simulation center, and a Foreign Trade Zone.

In the Heintzelman corridor, jetBlue Airways operates (1) a flight support campus for initial and recurring training for specialties including flight operations, flight attendant, technical operations and customer service crewmembers and (2) a three aircraft bay hangar for installation of airline in-seat digital entertainment systems and FAA-mandated maintenance and inspections on their aircraft. In March 2015, jetBlue opened its new lodge and training facility for jetBlue crewmembers visiting its Orlando Support Center situated in its jetBlue University campus at the Airport. Silver Airways opened a new maintenance headquarters at the Airport in March 2015 in a 38,000 square-foot maintenance, repair, and overhaul facility that includes two large aircraft hangars each capable of housing 3-4 aircraft plus office space.

The 1,854-acre Poitras property was originally purchased by the Authority without Federal assistance in 1989 to provide borrow material for the Airport's 3rd and 4th runways and for wetland mitigation for Airport projects. The Poitras property was subsequently included in the Southeast Orlando Sector Plan approved by the City of Orlando in 1999 and a conceptual Planned Development Land Use Plan for the Poitras property was consented to by the Authority in 2011 for controlled non-aviation development of the property. The Authority plans to sell approximately 600 acres of the Poitras property to generate non-aviation revenue consistent with the Planned Development Land Use Plan approved for the property.

AIRPORT SERVICE REGION

For the purposes of this study, the region served by the Airport includes a primary and secondary area. The primary area of the Airport service region is defined as the four-county Orlando-Kissimmee-Sanford Metropolitan Statistical Area (the Orlando Primary Area or Orlando MSA), as shown in Table 1 and on Figure 2. The Orlando Primary Area includes the counties of Lake, Orange, Oseola, and Seminole. According to the U.S. Department of Commerce, Bureau of the Census, the population of the Orlando MSA was 2.4 million in 2015 (the most recent year available), accounting for about 12% of the State of Florida's (the State) total population of 20.3 million. Orange County includes the City of Orlando and accounts for about 54% of the population of the Orlando MSA. Because economic growth and activity within the Orlando Primary Area stimulate a significant portion of passenger demand at the Airport, statistics for the Orlando MSA were used to evaluate certain long-term and future airline traffic trends at the Airport.

The Orlando MSA encompasses one of the largest leisure and hospitality centers in the world. Seven of the top 10 U.S. theme parks, based on attendance, are located in the Orlando MSA. According to Visit Orlando, more than 66 million people visited the Orlando in 2015, a new record for the U.S. travel industry, making Orlando the most visited destination in the nation.* The number of visitors to the State as a whole increased 6.6% in 2015 (from 98.5 million in 2014 to 105.0 million in 2015), according to VISIT FLORIDA.** The Orlando MSA is within a one-hour drive from the Port Canaveral cruise port and Atlantic Ocean beaches to the east and within a two-hour drive from the Tampa Bay area and Gulf Coast beaches to the southwest.

Table 1
POPULATION DISTRIBUTION IN THE ORLANDO MSA
2015

County	Population	Percent of total
Orange	1,288,126	54.0%
Seminole	449,144	18.8
Lake	325,875	13.7
Osceola	<u>323,993</u>	<u>13.6</u>
Total	2,387,138	100.0%

Source: U.S. Department of Commerce, Bureau of the Census, accessed July 2016, www.census.gov.

MCO is a large-hub airport*** and the domestic and international gateway to the Orlando Primary Area. The secondary area served by the Airport, which includes many of the counties surrounding the four-county Orlando Primary Area, is defined by the location of and driving distance to other air carrier airports, as well as by the availability, price, and quality of airline service at those other airports. Four airports with commercial passenger airline service are within 100 miles of MCO, and with the exception of Tampa, provide limited scheduled airline service (as of July 2016):

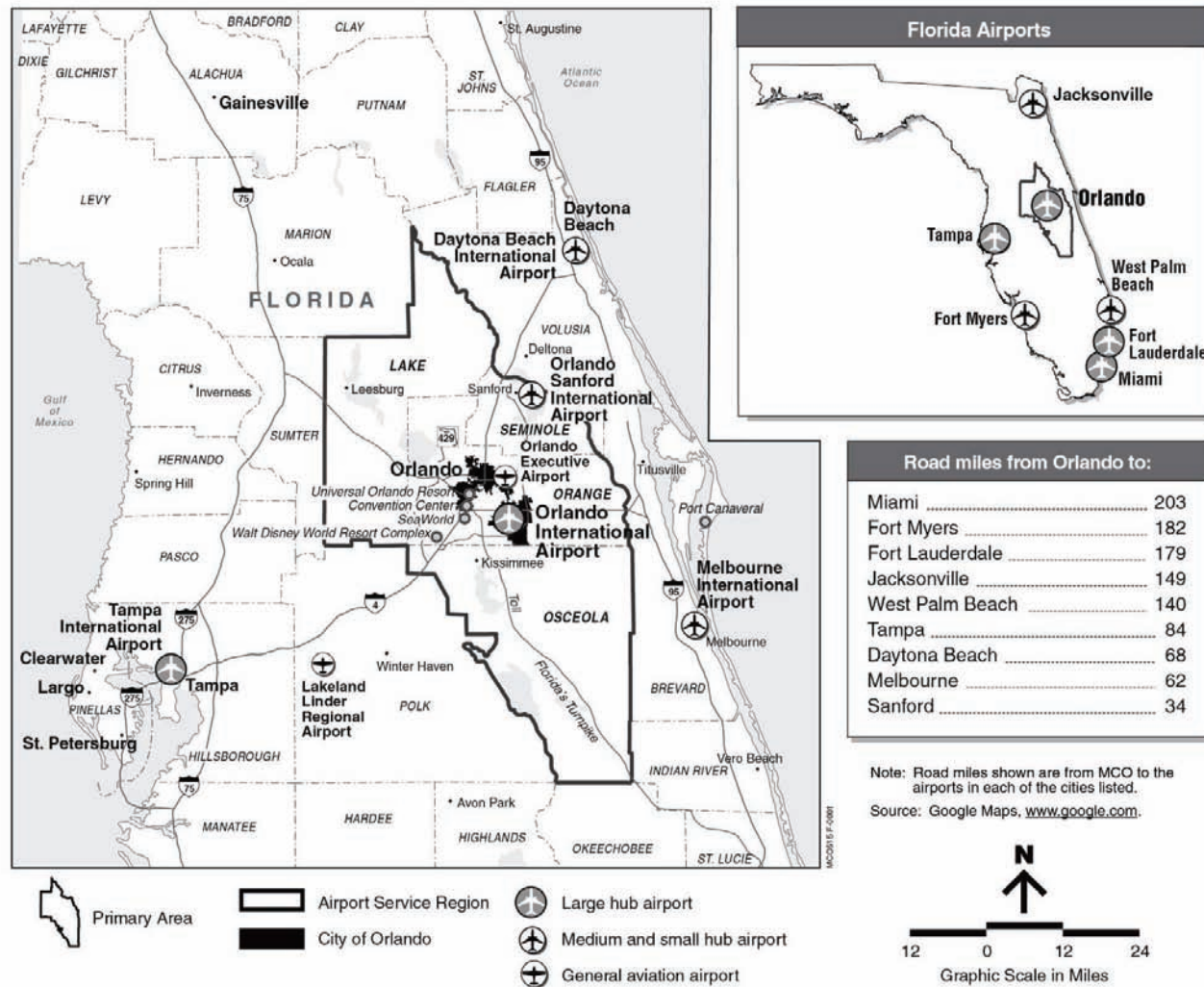
- Sanford International Airport, a small-hub airport located 34 road miles northeast of MCO with an average of 32 daily departures and 1.1 million enplaned passengers in FY 2015
- Melbourne International Airport, a non-hub airport located 64 road miles southeast of MCO with an average of 8 daily departures and 219,000 revenue enplaned passengers in FY 2015
- Daytona Beach International Airport, a non-hub airport located 75 road miles northeast of MCO with an average of 52 daily departures and 303,000 revenue enplaned passengers in FY 2015
- Tampa International Airport, a large-hub airport located 84 road miles southwest of MCO with an average of 207 daily departures and 9.0 million revenue enplaned passengers in FY 2015

*"Orlando Welcomed 66 Million Visitors in 2015, Doubles Visitation over Past Two Decades", press release, May 2, 2016, www.visitorlando.com.

**News Release, "Gov. Scott: Florida Welcomed Record 105 Million Visitors in 2015," February 18, 2016, www.visitflorida.com.

***A large-hub airport is defined by the Federal Aviation Administration (FAA) as one that enplanes 1% or more of annual nationwide passenger boardings; a medium-hub airport enplanes between 0.5% and 1% of nationwide passenger boardings; and a small-hub airport enplanes between 0.25% and 0.5% of nationwide passenger boardings.

Figure 2
AIRPORT SERVICE REGION



Orlando Executive Airport and Lakeland Linder Regional Airport are general aviation airports with no scheduled passenger airline service. Sanford, Melbourne, and Daytona Beach are not considered a significant competitive threat to MCO given their limited airline service and the extensive service options at MCO (an average of 423 daily domestic and international departures in July 2016).

AIRPORT ROLE

Orlando International Airport is the second busiest airport in Florida (Miami is the busiest), with more than 18 million revenue enplaned passengers in FY 2015 (24% of revenue enplaned passengers at all Florida airports) according to the U.S. Department of Transportation (DOT),* as shown in Table 2. The seven busiest airports in Florida—Miami, Orlando, Fort Lauderdale, Tampa, Fort Myers, Palm Beach, and Jacksonville—together accounted for 92% of revenue passenger traffic at all Florida airports in FY 2015.

Table 2
REVENUE ENPLANED PASSENGERS AT FLORIDA AIRPORTS

Airport	Enplaned passengers (thousands)			Compound annual percent increase (decrease)		
	FY 2000	FY 2010	FY 2015	2000 - 2010	2010 - 2015	2000 - 2015
Miami	16,271	16,728	20,414	0.3%	4.1%	1.5%
Orlando	14,075	16,699	18,237	1.7	1.8	1.7
Fort Lauderdale	7,306	10,575	12,843	3.8	4.0	3.8
Tampa	7,495	8,119	9,001	0.8	2.1	1.2
Fort Myers	2,415	3,656	4,096	4.2	2.3	3.6
Palm Beach	2,803	2,940	3,064	0.5	0.8	0.6
Jacksonville	<u>2,449</u>	<u>2,727</u>	<u>2,686</u>	1.1	(0.3)	0.6
Subtotal	52,815	61,443	70,341	1.5%	2.7%	1.9%
Other Florida airports	<u>3,490</u>	<u>4,025</u>	<u>5,912</u>	1.4	8.0	3.6
All Florida airports	56,305	65,468	76,253	1.5%	3.1%	2.0%

Note: For Fiscal Years ended September 30.

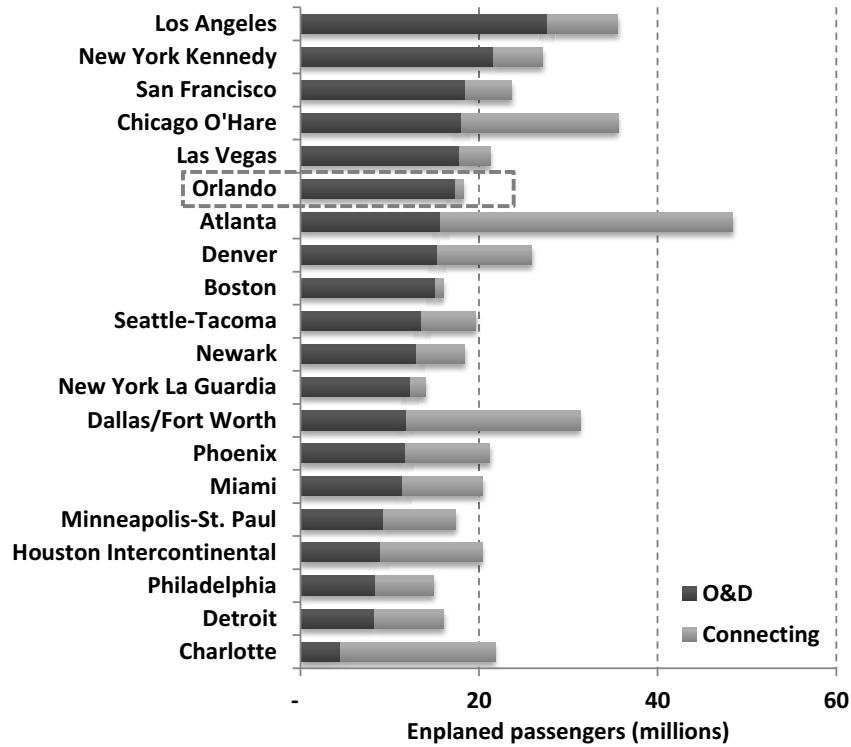
Data for international passengers in FY 2015 is estimated based on actual data for October 2014 through July 2015.

Source: U.S. Department of Transportation, Schedule T100, DOT Analyser, accessed February 2016.

In FY 2015, approximately 95% of passengers at MCO were origin-destination (O&D) passengers (i.e., these O&D passengers did not connect with another flight at the Airport); Miami had a lower percentage of O&D passengers (56%) reflecting its role as a connecting hub for American Airlines. While certain hub airports such as Chicago-O'Hare, Atlanta, Denver, and Dallas-Ft. Worth report substantially more total passengers than the Airport, Orlando ranks higher in terms of the number of O&D passengers. In FY 2015, Orlando was the sixth busiest U.S. airport in terms of O&D passengers; only Los Angeles, New York-Kennedy, San Francisco, Chicago O'Hare, and Las Vegas reported more O&D passengers, as shown on Figure 3.

* Data reported to the U.S. DOT excludes nonrevenue passengers and may differ from data reported by the airlines to the Airport.

Figure 3
ORIGIN-DESTINATION AND CONNECTING PASSENGERS
AT 20 BUSIEST U.S. AIRPORTS IN FY 2015
Ranked by origin-destination passengers



Note: O&D = Origin-Destination passengers.

Sources: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, and Schedule T100, DOT Analyser databases, accessed May 2016.

In recent years, MCO has expanded its role as an international gateway to Florida and the nation. Since FY 2010, international scheduled departing seats at MCO have nearly doubled, increasing an average of 11.3% per year between FY 2010 and FY 2016, reflecting Orlando's position as one of the largest leisure and hospitality centers in the world and a Florida business center. In July 2016, a total of 26 airlines (4 U.S. and 22 foreign-flag airlines) provided an average of 52 daily international departures to Canada, Central and South America, the Caribbean, Europe, and the Middle East. In FY 2015, international enplaned passengers accounted for 13% of total passengers at the Airport, compared with 9% in FY 2010.

ECONOMIC BASIS FOR AIRLINE TRAFFIC

The economy of the Orlando MSA is an important determinant of long-term passenger demand at the Airport. The development and diversity of the economic base of an airport service region are both important to passenger traffic growth at the airport serving that region. This is particularly true where the industries in the region rely on the airport for passenger and cargo service. The Orlando MSA is a national and international travel destination and a center of business and trade in Florida.

The following sections present a discussion of the economic basis for airline traffic at the Airport—historical and projected population, employment, and per capita personal income of the Orlando MSA; industry clusters, and the visitor industry—and a summary of the economic outlook for the United States, the State, and the Orlando MSA.

Population, Nonagricultural Employment, and Per Capita Personal Income

Table 3 presents comparative historical and projected trends in population, nonagricultural employment, and per capita personal income in the Orlando MSA, the State, and the United States in 1990, 2000, and from 2010 through 2015, as available. Also presented are projected growth rates between 2015 and 2023.

Population. As shown in Table 3, from 1990 through 2015, the population of the Orlando MSA increased an average of 2.7% per year, faster than growth rates for the State and the nation. The University of Central Florida (UCF) projects population in the Orlando MSA to increase an average of 2.0% per year between 2015 and 2023, faster than rates for the State and the nation. In 2015, Florida's population increased 1.8%, exceeding the forecast growth rate of 1.5%.

Nonagricultural Employment. Following the trends in population, nonagricultural employment in the Orlando MSA increased an average of 3.1% per year between 1990 and 2015, faster than growth rates for the State and the nation, as shown in Table 3. Between 2000 and 2010, nonagricultural employment growth in the Orlando MSA slowed (an average increase of 0.9%), reflecting the effects of the national economic recessions in 2001 and 2008 through 2009. UCF projects nonagricultural employment in the Orlando MSA to increase an average of 2.5% per year between 2015 through 2023, faster than growth rates for the State and the nation. In 2015, nonagricultural employment in the Orlando MSA and the State increased 4.2% and 3.4%, respectively, faster than the forecast growth rates and for the nation as a whole (2.1%).

Per Capita Personal Income. As shown in Table 3, per capita personal income (in 2014 constant dollars) in the Orlando MSA increased an average of 0.4% per year between 1990 and 2014 (the most recent year available), with decreases between 2000 and 2010 (an average decrease of 0.3% per year), reflecting the effects of two national economic recessions, the housing and real estate decline, and construction slowdown. Growth in the MSA's per capita personal income returned between 2010 through 2014, increasing an average of 0.1% per year. UCF projects per capita personal income (in 2014 constant dollars) in the Orlando MSA to increase an average of 2.5% per year between 2015 through 2023, similar to that for the State and the nation (2.3%).

Table 3
HISTORICAL AND PROJECTED SOCIOECONOMIC TRENDS
 Orlando MSA, State of Florida, and United States
 1990-2023

	Population (thousands)			Nonagricultural employment (thousands)			Per capita personal income in 2014 dollars		
	Orlando MSA	State of Florida	United States (a)	Orlando MSA	State of Florida	United States	Orlando MSA	State of Florida	United States
Historical									
1990	1,225	12,938	248,791	580	5,363	109,527	33,804	36,146	35,485
2000	1,645	15,983	281,425	905	7,054	132,024	38,102	40,689	42,071
2010	2,134	18,801	308,746	993	7,173	130,361	36,935	42,035	43,727
2011	2,176	19,106	311,719	1,006	7,252	131,932	37,209	42,664	44,679
2012	2,227	19,352	314,103	1,032	7,397	134,175	36,784	42,532	45,643
2013	2,272	19,594	316,427	1,066	7,583	136,381	36,403	41,979	45,159
2014	2,327	19,906	318,907	1,110	7,825	138,958	37,104	42,737	46,049
2015	2,387	20,271	321,419	1,157	8,093	141,865	n.a.	44,049	47,612
Projected									
2023	2,800	22,869	342,371	1,414	9,364	156,533	46,312	52,711	57,201
Percent increase (decrease)									
2010-2011	2.0%	1.6%	1.0%	1.3%	1.1%	1.2%	0.7%	1.5%	2.2%
2011-2012	2.3	1.3	0.8	2.6	2.0	1.7	(1.1)	(0.3)	2.2
2012-2013	2.1	1.3	0.7	3.3	2.5	1.6	(1.0)	(1.3)	(1.1)
2013-2014	2.4	1.6	0.8	4.2	3.2	1.9	1.9	1.8	2.0
2014-2015	2.6	1.8	0.8	4.2	3.4	2.1	n.a.	3.1	3.4
Average annual percent increase (decrease)									
1990-2000	3.0%	2.1%	1.2%	4.6%	2.8%	1.9%	1.2%	1.2%	1.7%
2000-2010	2.6	1.6	0.9	0.9	0.2	(0.1)	(0.3)	0.3	0.4
2010-2015	2.3	1.5	0.8	3.1	2.4	1.7	0.1 (b)	0.9	1.7
1990-2015	2.7	1.8	1.0	2.8	1.7	1.0	0.4 (b)	0.8	1.2
2015-2023	2.0	1.5	0.8	2.5	1.8	1.2	2.5 (b)	2.3	2.3

n.a. = not available. MSA = Metropolitan Statistical Area, consisting of Lake, Orange, Osceola, and Seminole counties.

(a) U.S. Census Bureau, Population Division, Table 1. Projections of the Population and Components of Change for the US: 2015 to 2060, December 2014, www.census.gov.

(b) Represents the percent change from 2014.

Sources: Historical population: U.S. Department of Commerce, Bureau of the Census, www.census.gov, accessed July 2016.

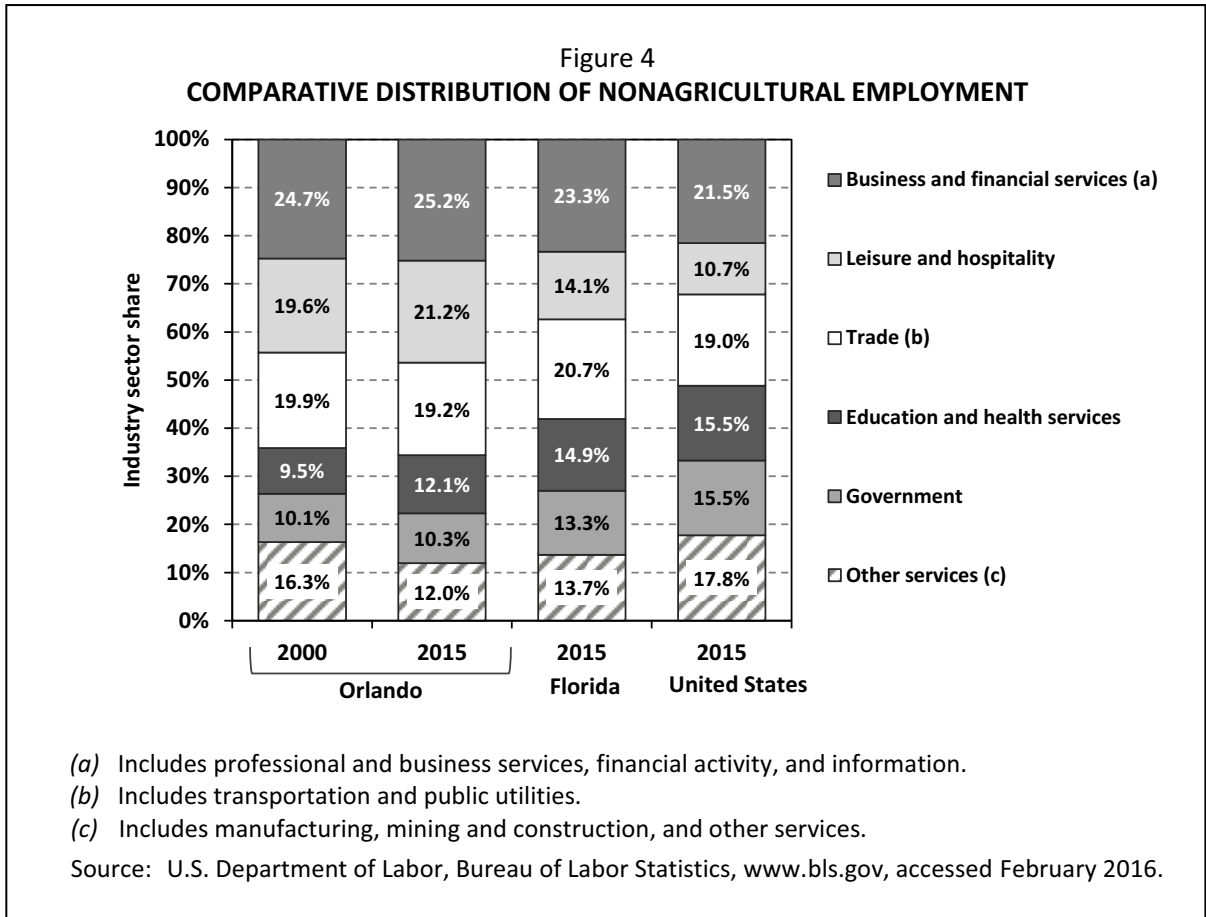
Historical employment: U.S. Department of Labor, Bureau of Labor Statistics, www.bls.gov, accessed July 2016.

Historical income: U.S. Department of Commerce, Bureau of Economic Analysis, www.bea.gov, accessed July 2016. Adjusted to constant 2014 dollars using the U.S.

Department of Labor, Consumer Price Index for Urban Consumers (1982-84 = 100), www.bls.gov.

Projected growth rates: University of Central Florida, College of Business Administration, Institute for Economic Competitiveness, *Florida and Metro Forecast, 2015-2018*, www.iec.ucf.edu, December 2015. Projections for 2023 were extrapolated by LeighFisher based on projected growth rates between 2015 and 2018.

Nonagricultural Employment by Industry Sector. Figure 4 shows a comparative distribution of nonagricultural employment by industry sector for the Orlando MSA in 2000 and in 2015, and for the State and the nation in 2015. The Orlando MSA's business and financial services sector accounted for the largest share of employment in 2015, with 25.2%. The leisure and hospitality sector, which incorporates hotels, restaurants, theme parks, and other attractions, is a mainstay of the local economy, accounting for 21.2% of the MSA's 2015 nonagricultural employment. The importance of leisure and hospitality to Orlando is evident by comparison to the shares of employees working in this sector in Florida (14.1%) and nationwide (10.7%) in 2015.



Unemployment Rates. In addition to the employment trends cited above, the unemployment rate is also indicative of the general economic climate. Table 4 shows comparative annual unemployment rates in the Orlando MSA, the State, and the nation as a whole for 2000 through 2015. The unemployment rates in the Orlando MSA and the State have generally followed the trends in the nation. In 2008 through 2011, unemployment rates in the Orlando MSA, the State, and the nation increased considerably as a result of the national economic recession. Since 2013, Orlando MSA unemployment rates have decreased, to levels lower than the State and the nation.

Since 2014, monthly unemployment rates in the Orlando MSA, the State, and the United States have decreased, as shown on Figure 5. In May 2016, the Orlando MSA unemployment rate was 4.0%, lower than the State (4.4%) and the nation (4.5%).

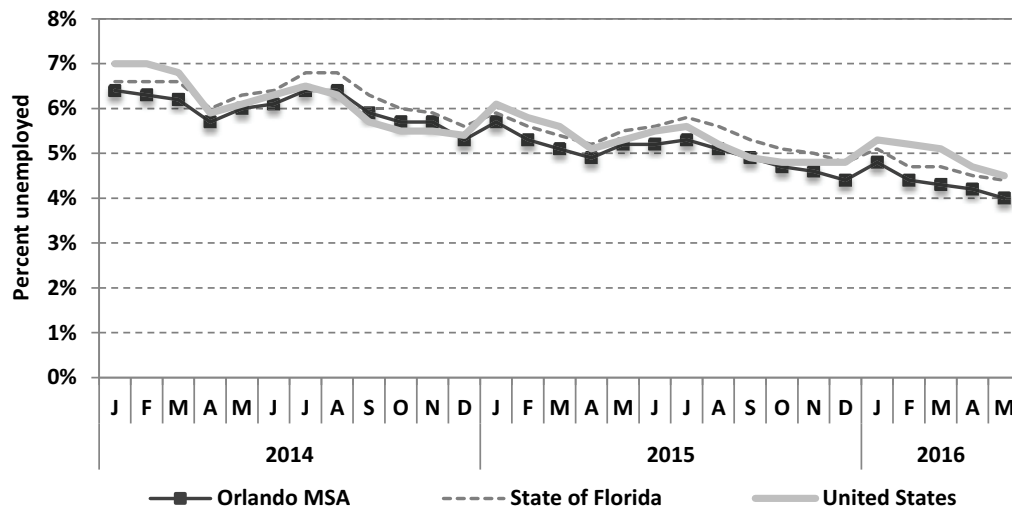
Table 4
COMPARATIVE UNEMPLOYMENT RATES

	Orlando MSA	State of Florida	United States
2000	3.1%	3.7%	4.0%
2001	4.4	4.7	4.7
2002	5.8	5.6	5.8
2003	5.3	5.2	6.0
2004	4.6	4.6	5.5
2005	3.6	3.7	5.1
2006	3.2	3.2	4.6
2007	3.9	4.0	4.6
2008	6.1	6.3	5.8
2009	10.5	10.4	9.3
2010	11.1	11.1	9.6
2011	10.0	10.0	8.9
2012	8.4	8.5	8.1
2013	7.0	7.3	7.4
2014	6.0	6.3	6.2
2015	5.0	5.4	5.3

Note: Unemployment rates are not seasonally adjusted and represent annual averages.

Source: U.S. Department of Labor, Bureau of Labor Statistics, www.bls.gov, accessed July 2016.

Figure 5
MONTHLY UNEMPLOYMENT RATES



Note: Unemployment rates are not seasonally adjusted.

Source: U.S. Department of Labor, Bureau of the Labor Statistics, www.bls.gov, accessed February 2016.

Orlando MSA Top 20 Employers. In 2016, Orlando ranked third in the Forbes annual assessment of “The Best Cities For Jobs”, following San Francisco and San Jose but ahead of the three largest U.S. metropolitan areas — New York, Los Angeles and Chicago— which did not rank in the top 10. Orlando’s third place ranking in 2016 (up from seventeenth in 2015) highlights its role in leading the resurgence of employment and economic growth in Florida and the other SunBelt states.

The Orlando MSA’s major employers include an increasingly diverse list of companies in leisure and hospitality, healthcare, aerospace and defense, finance, and advances manufacturing, as shown in Table 5. The Walt Disney Company is, by a wide margin, the largest private employer in the MSA, with 74,000 employees at its four theme parks (Magic Kingdom, EPCOT, Animal Kingdom, and Hollywood Studios), hotels, water parks, and golf courses. The hospitality and leisure industry is well-represented among the MSA’s other top employers: Universal Orlando (20,000 employees), Westgate Resorts (6,500), SeaWorld Parks and Entertainment (6,032), Darden Restaurants (5,221), Rosen Hotels and Resorts (4,322), and Wyndham Worldwide (3,509).

Table 5
ORLANDO MSA TOP 20 PRIVATE EMPLOYERS

Employer	Product or service	Employees
Walt Disney World Resort (b)	Leisure and Hospitality	74,000
Universal Orlando (Comcast) (b)	Leisure and Hospitality	20,000
Adventist Health System/ Florida Hospital (a)	Healthcare	19,304
Orlando Health (a)	Healthcare	14,000
Lockheed Martin (b)	Aerospace/Defense	7,000
Westgate Resorts (a)	Leisure and Hospitality	6,500
SeaWorld Parks and Entertainment (a)	Leisure and Hospitality	6,032
Darden Restaurants (a,b)	Restaurants	5,221
Siemens (c)	Advanced Manufacturing	4,448
Rosen Hotels and Resorts (a)	Leisure and Hospitality	4,322
Wyndham Worldwide (b)	Leisure and Hospitality	3,509
AT&T (b)	Telecommunications	3,063
JP Morgan Chase (b)	Finance and Insurance	3,053
Bright House Networks	Diversified Communication Services	3,000
Hospital Corporation of America	Healthcare	2,950
Mears Transportation (a)	Transportation	2,825
FedEx (b)	Transportation & Business Services	2,821
Loews (b)	Leisure and Hospitality	2,756
Central Florida Health Alliance (a)	Healthcare	2,686
SunTrust Bank	Finance and Insurance	2,670

Note: Data exclude government and retail operations.

(a) Corporate headquarters are located in the Orlando MSA.

(b) Fortune 500 company in 2015 based on Fortune Magazine’s ranking, www.fortune.com.

(c) Regional or division offices are located in the Orlando MSA.

Source: Orlando Sentinel, Orlando Business Journal, updated October 2015, as reported by the Metro Orlando Economic Development Commission, www.orlandoedc.com.

Corporate headquarters are important drivers of business travel demand. According to the Metro Orlando Economic Development Commission, 8 of the top 20 employers shown in Table 5 have headquarters in the Orlando MSA. In addition, 9 of the top 20 employers are listed on Fortune magazine's list of the top 500 U.S. corporations, ranked by revenues.

Corporate Headquarters and Regional Offices. The Orlando MSA is home to a large number of corporate headquarters and regional offices of companies, including financial services, customer support and back office, healthcare, leisure and hospitality, professional services and specialty firms. Industry leaders such as American Automobile Association (AAA), Darden Restaurants, Deloitte Consulting, Electronic Arts, Lockheed Martin, Northrop Grumman, Tupperware Brands Corporation, Verizon Communications and the Walt Disney Company are either headquartered or have a significant presence in the Orlando MSA. The Orlando MSA is also home to more than 150 international companies representing 20 countries, including the major U.S. operations of international companies such as Germany's Siemens Energy, Japan's Mitsubishi Hitachi Power Systems, Israel's Mazor Robotics, and Australia's Adacel.

Industry Clusters

The Orlando MSA's major industries, in addition to leisure and hospitality, are life sciences and healthcare, innovative technologies, aviation, aerospace, and defense, and advanced manufacturing, according to the Metro Orlando Economic Development Commission. These industry clusters, or groups of companies that buy or sell to each other in the manufacture of goods for export from the area, are positioned to grow within the Orlando MSA.

Life Sciences and Healthcare. The Orlando MSA's life sciences and healthcare industry cluster is led by 4,800 companies that employ 92,600 people, including biotech/bio informatics, clinical trials, diagnostic testing, healthcare, medical devices, medical simulation, specialty pharma and pharmaceuticals, sports innovation and performance firms. Leading life sciences and healthcare companies in the Orlando MSA include AcariaHealth, Mazor Robotics, Sanford-Burnham Medical Research Institute, Sanofi Pasteur Vax Design, and Triad Isotopes. In August 2016, the UCF College of Medicine announced plans to build a teaching hospital in Lake Nona next to the medical school.

Since 2008, Tavistock Group, a privately-held investment company, has been developing a 7,000-acre planned community southeast of, and immediately adjacent to, the Airport called Lake Nona. Lake Nona Medical City, a complex of new medical and bioscience facilities, is the centerpiece of the Lake Nona community and is home to the University of Central Florida's College of Medicine, the Sanford-Burnham Medical Research Institute,* Nemours Children's Hospital, Guidewell Innovation Center, University of Florida Research and Academic Center, the Orlando Veterans Affairs Medical Center, and the Veterans Health Administration Simulation Learning, Education, and Research Network. In addition, new development at Lake Nona is expected to include a luxury resort with an 11-acre man-made lagoon, \$17 million automobile equipment manufacturing complex and corporate offices for Voxx International, and United States Tennis Association's new \$60 million 63-acre facility.

Innovative Technologies. The MSA is part of Florida's high-tech corridor that stretches from Sarasota on the Gulf coast and runs along I-4, across the center of the state, to Daytona Beach on the Atlantic coast. The Orlando MSA's innovative technology industry cluster is led by 2,600 companies

* Sanford Burnham is in discussions with the University of Florida to take over its facilities at Medical City.

that employ 33,900 people, including modeling, simulation and training, optics and photonics, smart sensors, cleantech and energy solutions, advanced materials, and emerging technology firms. Leading innovative technology companies in the Orlando MSA include Electronic Arts—Tiburon, FIS, Fiserv, Golf Channel, Oracle Corporation, and Symantec.

Aviation, Aerospace, and Defense. The Orlando MSA’s aviation, aerospace, and defense industry cluster is led by 220 companies that employ 18,900 people, including defense, modeling, simulation and training, maintenance, repair and overhaul, optics and photonics, serious games (i.e., simulations of real-world events), and air service development. Leading aviation, aerospace, and defense companies in the Orlando MSA include Boeing, Lockheed Martin, Northrop Grumman, Progressive Aerodyne, and Raytheon.

Advanced Manufacturing. The Orlando MSA’s advanced manufacturing industry cluster is led by 500 companies that employ 13,100 people, including biotech/bio informatics, clinical trials, diagnostic testing, healthcare, medical devices, medical simulation, specialty pharma and pharmaceuticals, sports innovation and performance firms. Leading advanced manufacturing companies in the Orlando MSA include Benada Aluminum Products, Mitsubishi Hitachi Power Systems, Qualcomm Atheros, Siemens Energy, and Wheeled Coach Industries. The Florida Advanced Manufacturing Research Center, a 100,000 square foot state-of-the-art lab, is scheduled to open in the spring of 2017 and will focus on the integration of semiconductor-based processes and materials into future products including smart sensors and photonics devices.

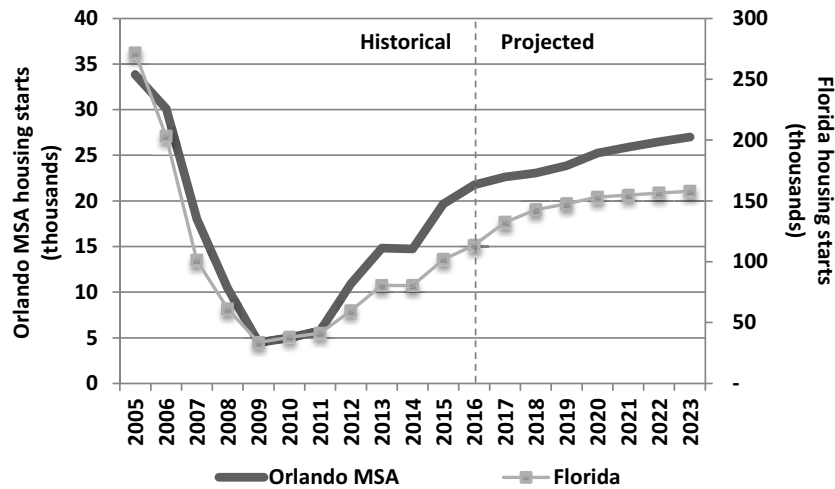
Housing Market

Trends in the housing market in a region generally follow economic cycles and are an indicator of overall economic activity that will, in turn, help to spur air travel demand. During the 2008-2009 economic recession, the median housing price in the Orlando MSA and the State decreased 42% between December 2007 (the first month of the recession) and June 2009 (the final month), reflecting the effects of U.S. subprime mortgage crisis and the financial credit crisis.* Subsequently, the median housing price in the Orlando MSA continued to decrease, reaching a low in January 2011. From January 2011 to June 2016, the Orlando MSA’s median housing price increased 116%, representing the highest price since July 2008.

Housing starts are another indicator of housing market trends and represent the number of new residential construction projects begun during a particular period. According to UCF, low inventory and increasing housing prices have triggered a surge in home construction. As shown on Figure 6, housing starts in the Orlando MSA and in the State exceeded 2007 levels in 2015. In its June 2016 report, UCF forecasts housing starts in the Orlando MSA to increase an average of 4.0% per year between 2015 and 2023, compared with a forecast increase of 5.6% per year for the State as a whole.

*Orlando Regional Realtor Association, Ten Year History 2006 - 2016, July 2016, www.orlandorealtors.org. Data are for all sales types and home types combined.

Figure 6
HISTORICAL AND PROJECTED HOUSING STARTS
 Orlando MSA and State of Florida



Note: Data for housing starts are the number of new residential construction projects begun during a particular period, including single- and multi-family units.

Source: University of Central Florida, Institute for Economic Competitiveness, *Florida and Metro Forecast: 2016-2045*, June 2016.

Visitor Industry

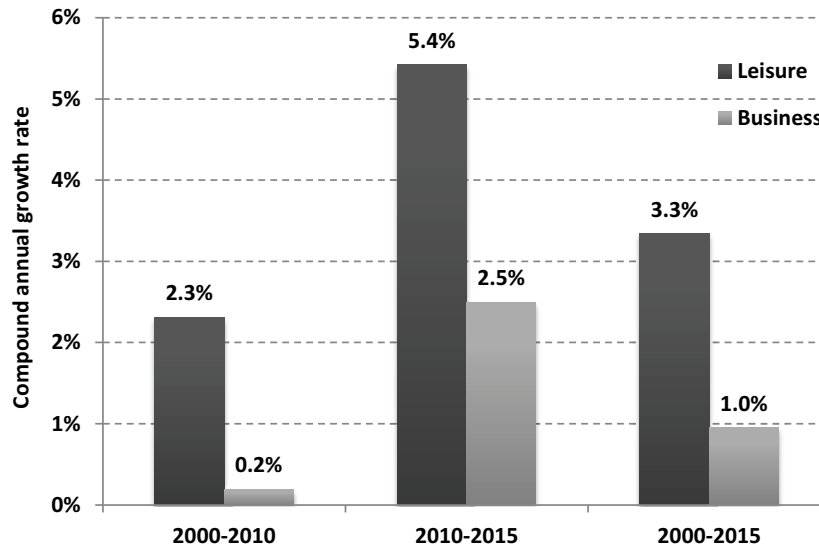
The visitor industry is an important driver of the Orlando MSA economy and passenger traffic at the Airport. As noted earlier, approximately 66.5 million people visited the Orlando MSA in 2015, a new record for the U.S. travel industry, making Orlando the most visited destination in the nation. Between 2000 and 2015, the total number of visitors to the Orlando MSA increased an average of 2.9% per year, with stronger growth between 2010 and 2015 (an average increase of 5.3% per year) during the recovery from the 2008-2009 national economic recession.

Visitors to the Orlando MSA, including leisure and business travelers, originate from both domestic and international locations. The following sections present a discussion of the visitor industry—leisure and business visitors, domestic and international visitors, cruise ship visitors, and hotel infrastructure in the Orlando MSA.

Leisure Visitors. In 2015, approximately 49.8 million leisure travelers visited the Orlando MSA, accounting for 82% of domestic visitors; business travelers accounted for the remaining 18%.** As shown on Figure 7, the number of leisure visitors to Orlando MSA increased an average of 3.3% per year between 2000 and 2015, with stronger growth between 2010 and 2015 (an average increase of 5.4% per year).

** Includes visitors traveling by all modes of transport.

Figure 7
GROWTH TRENDS IN LEISURE AND BUSINESS DOMESTIC VISITORS
 Orlando MSA



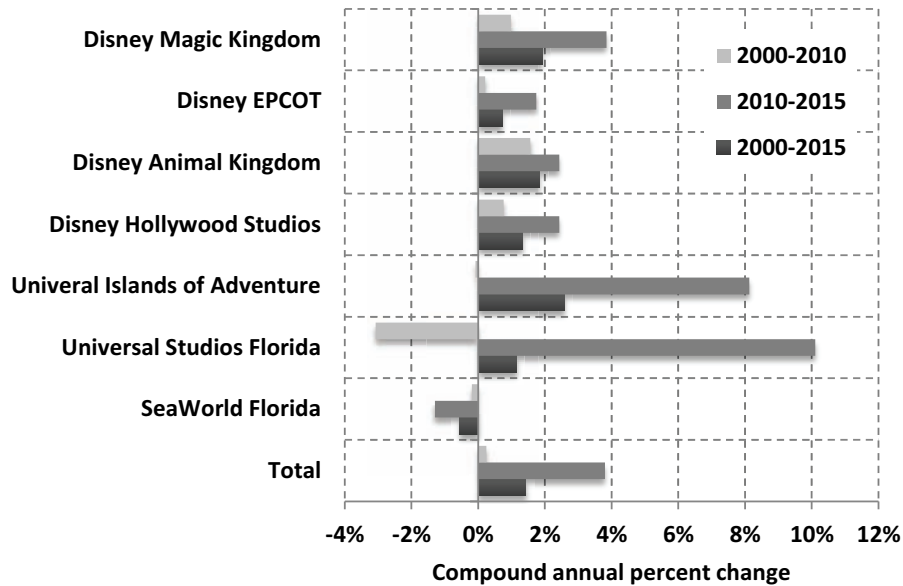
Source: D.K. Shifflet and Associates and the U.S. Department of Commerce, National Travel and Tourism Office, as reported by Visit Orlando, www.visitorlando.com, accessed August 2016.

The growth in the number of leisure visitors reflects the concentration of entertainment-based theme parks in the Orlando MSA that attract both domestic and international travelers. In 2015 (the most recent year available), Orlando's seven theme parks were among the 10 busiest in the United States in terms of total attendance, with more than 77 million attendees, according to the 2015 ranking prepared by the Themed Entertainment Association.* The remaining three busiest U.S. theme parks are located in southern California—Disneyland, Disney California Adventure, and Universal Studios Hollywood—and had a combined attendance of nearly 35 million in 2015.

Between 2000 and 2015, total attendance at the seven MSA theme parks increased an average of 1.4% per year, with the strongest growth between 2010 and 2015 (an average increase of 3.8% per year), as shown on Figure 8. Universal Studios Florida reported the strongest growth in attendance between 2010 and 2015—an average increase of 10.1% per year—reflecting the opening of the new Despicable Me Minions ride in 2012 and the new 3-D Transformers ride in 2013. Universal's Island of Adventure also reported strong growth in attendance during this period (an average increase of 8.1% per year), reflecting the opening of a new Harry Potter-themed attraction in 2010 and the refurbishment and reopening of the Spider-Man ride in 2012.

*The Themed Entertainment Association (TEA) is an international non-profit association that represents creators, developers, designers and producers of themed entertainment.

Figure 8
GROWTH TRENDS IN ATTENDANCE AT BUSIEST THEME PARKS
 Orlando MSA



Note: Ranked by 2015 attendance.

Sources: 2000: Amusement Business Magazine.

2010 and 2015: Themed Entertainment Association and Economics Research Associates.

Between 2014 and 2016, a number of new attractions opened at Orlando's theme parks and others are planned and/or underway, as detailed in Table 6. Orlando's newest entertainment complex opened in May 2015 on International Drive, referred to as I-Drive 360, including the Orlando Eye observations wheel which provides panoramic views of Orlando, Madame Tussauds wax museum, Sea Life aquarium, and new dining and retail establishments. As of August 2016, eight of the ten new attractions shown in Table 6 were open, except for Disney Springs' Planet Hollywood Observatory and Kennedy Space Center Heroes and Legends which are planned to open in October and November 2016, respectively.

The growth in the number of leisure visitors also reflects the continued development of sports venues in the Orlando MSA that attract both domestic and international travelers. The Orlando MSA is home to two professional sports teams—the Orlando Magic in the National Basketball Association (NBA) and Orlando City in the Major League Soccer League—as well as the University of Central Florida's sports teams and spring training for the Atlanta Braves.

Table 6
RECENTLY OPENED AND PLANNED ATTRACTIONS AT ORLANDO'S THEME PARKS

Year of opening	Theme park	Attraction
2014	Universal Studios Florida	Diagon Alley, Wizarding World of Harry Potter
2014	Disney Magic Kingdom	Seven Dwarfs Mine Train in the New Fantasyland
2015	New I-Drive entertainment complex	The Orlando Eye (425-foot observation wheel)
2015	New I-Drive entertainment complex	Madame Tussauds wax museum
2015	New I-Drive entertainment complex	Sea Life Aquarium
2015	Legoland Florida	Heartlake City expansion
2016	Disney Animal Kingdom	Rivers of Light
2016	WonderSea Island	New water park
2016	Disney Springs (transformation of Downtown Disney)	Planet Hollywood Observatory
2016	Universal Studios Florida	Skull Island, Reign of Kong
2016	Disney Magic Kingdom	Frozen Ever After
2016	Disney Magic Kingdom	Soarin' Around the World
2016	Disney Animal Kingdom	Sunset Kilimanjaro Safaris
2016	SeaWorld Orlando	Mako (200-foot roller coaster)
2016	Legoland Florida	The LEGO Movie 4D A New Adventure
2016	Kennedy Space Center	Heroes and Legends
2017	Disney Animal Kingdom	AVATAR Land expansion
TBD	Disney Hollywood Studios	Star Wars Land
TBD	Disney Hollywood Studios	Toy Story expansion

TBD = To be determined

Sources: Visit Orlando, Greater Orlando Aviation Authority, and Orlando Sentinel.

Since 2010, considerable investment in sports venues has taken place in the Orlando MSA, including:

- The \$500 million Amway Center opened in 2010 and is home to the NBA's Orlando Magic, ECHL's Orlando Solar Bears (one of the NHL's minor hockey leagues), and the American Football League's Orlando Predators, and has hosted the 2012 NBA All-Star Game, HBO Main Event Boxing, WWE Monday Night Raw, and college basketball games.
- The Camping World Stadium (formerly the Orlando Citrus Bowl), which hosts college football, World Cup and Olympic soccer, WrestleMania, Monster Jam, and currently hosts the Orlando City soccer team, completed a \$207.7 million reconstruction project in 2014. The Stadium hosted a game in October 2015 between the 2015 FIFA World Cup championship team from the United States and the team from Brazil. The 2017 NFL Pro Bowl game will be held at Camping World Stadium on Sunday, January 29, 2017.
- The new \$27 million Seminole County Sports Complex opened in May 2016 with 15 fields for baseball, softball, soccer, football and lacrosse, facilities, and concessions.

- The new, privately funded \$155 million Orlando City soccer stadium scheduled to be completed in 2017 will include 25,500 seats and was redesigned from the original plan for 19,000 seats due to average fan attendance of 33,000 during their first season in 2015. The state-of-the-art, privately financed multi-purpose facility will be home to Major League Soccer's Orlando City SC and the Orlando Pride National Women's Soccer League team.
- The United States Tennis Association's (USTA) new \$60 million 63-acre facility in Lake Nona is scheduled to be completed in 2016 and will host the USTA's Community Tennis and Player Development divisions including more than 100 tennis courts, player dormitories, and a USTA office building.

The opening of the \$400 million Dr. Phillips Performing Arts Center in 2014 also contributes to the numbers of visitors to the Orlando MSA. The 369,000-square-foot Center in downtown Orlando comprises three theaters – a 1,800-seat opera house/symphony hall, a 2,800-seat Broadway theater, and a 300-seat community theater.

Business Visitors. In 2015, approximately 10.8 million business travelers visited the Orlando MSA. As shown in Figure 7, the number of business visitors to Orlando MSA increased an average of 1.0% per year between 2000 and 2015, with the strongest growth between 2010 and 2015 (an average increase of 2.5% per year). Strong increases in the MSA's population and employment, the strength of Orlando's world-class tourism industry, and the continued development of the defense, high-tech, and digital media industry sectors have contributed to growth of business travel. According to the Metro Orlando Economic Development Commission, a competitive cost environment has also favored the Orlando economy in attracting new businesses which, in turn, generate additional travel demand. Business travel can be expected to increase generally in line with growth in the MSA economy in the future.

Business visitors to the Orlando MSA also include convention and trade show attendees. The Orange County Convention Center (OCCC) is the primary convention facility in the Orlando MSA and the second largest in the United States, with a total space of 7 million square feet. (Chicago's McCormick Place is the largest U.S. convention facility.) In FY 2015, the OCCC hosted 176 events and more than 1.4 million convention attendees, reflecting a 4.0% increase in attendance compared with 2014.

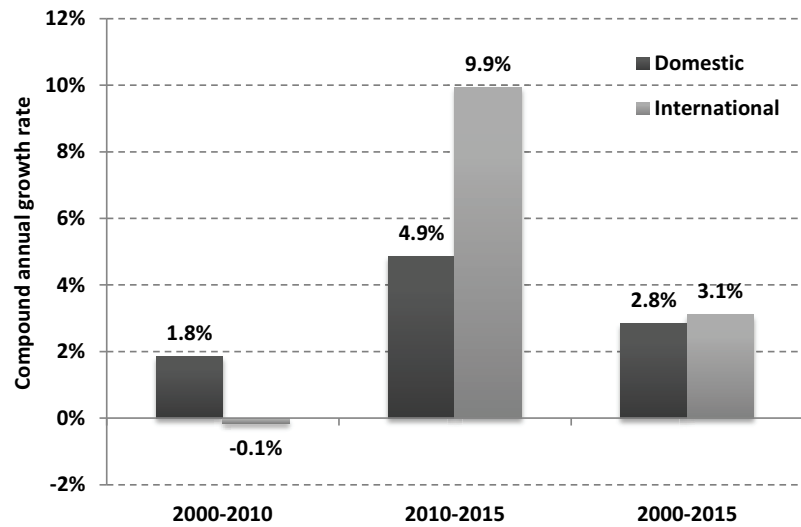
Domestic Visitors. In 2015, approximately 60.6 million U.S. travelers visited the Orlando MSA, accounting for 91% of total visitors; international visitors accounted for the remaining 9%. As shown on Figure 9, the number of domestic visitors to Orlando MSA increased an average of 2.8% per year between 2000 and 2015, with the strongest growth between 2010 and 2015 (an average increase of 4.9% per year).

International Visitors. The Orlando MSA is one of the top 10 U.S. destinations for overseas visitors, accounting for the fastest growth in overseas visitors between 2014 and 2015, as shown on Figure 10. In 2015, approximately 5.9 million international travelers visited the Orlando MSA. As shown on Figure 9, the number of international visitors to Orlando MSA increased an average of 3.1% per year between 2000 and 2015, with the strongest growth between 2010 and 2015 (an average increase of 9.9% per year).

Visitors from overseas accounted for 80.0% of international travelers to the Orlando MSA in 2015, with visitors from Canada accounting for the remaining 20.0%, as shown on Figure 11. Of the overseas visitors, the United Kingdom accounted for the largest country share, with 17.5%, followed by Brazil with 14.5%. Although the share of international visitors from Brazil has increased in recent

years, it is important to note that Brazil is currently experiencing an economic recession, which is expected to extend into 2017, according to the World Bank.*

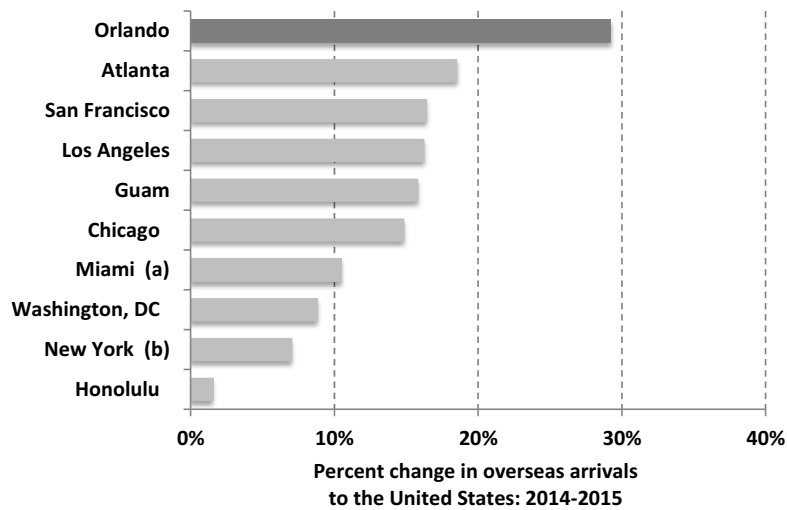
Figure 9
GROWTH TRENDS IN DOMESTIC AND INTERNATIONAL VISITORS
Orlando MSA



Source: D.K. Shifflet and Associates and the U.S. Department of Commerce, National Travel and Tourism Office, as reported by Visit Orlando, www.visitorlando.com, accessed August 2016.

*Bloomberg, “World Bank Sees Three-Year Brazil Decline, Plunge in Venezuela”, June 7, 2016, www.bloomberg.com.

Figure 10
TOP U.S. DESTINATIONS FOR OVERSEAS VISITORS IN 2015



Note: Overseas travelers exclude visitors from Mexico and Canada.

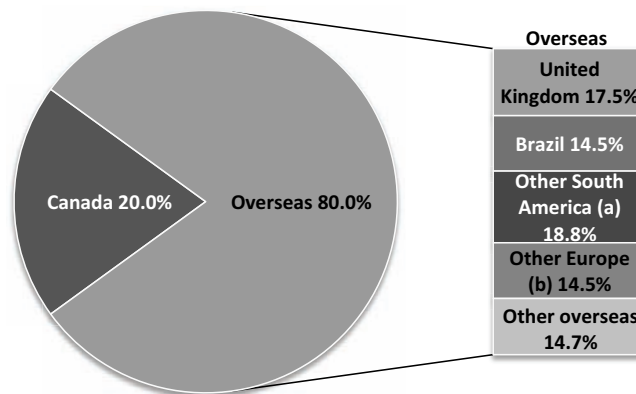
In 2015, the methodology for reporting overseas visitors to the top U.S. destinations changed significantly; therefore, data for 2014 and 2015 are not comparable with data for prior years.

(a) Includes Miami and Fort Lauderdale.

(b) Includes New York and Newark.

Source: U.S. Department of Commerce, International Trade Administration, Office of Tourism Industries, *International Visitation to the United States: A Statistical Summary of U.S. Visitation (2015p)*, www.travel.trade.gov.

Figure 11
ORIGINS OF INTERNATIONAL VISITORS TO THE ORLANDO MSA IN 2015



(a) Excludes Brazil.

(b) Excludes the United Kingdom.

Source: Visit Orlando Market Research and Insights and U.S. Department of Commerce, International Trade Administration, Office of Tourism Industries, www.travel.trade.gov.

Between 2014 and 2020, the number of overseas visitors to the United States is forecast to increase an average of 3.0% per year by the U.S. National Travel and Tourism Office (NTTO), as shown on Table 7. The NTTO forecasts are developed by country and international region; forecasts by U.S. destinations are not prepared.

Table 7
FORECASTS OF INTERNATIONAL TRAVELERS TO THE UNITED STATES
BY WORLD REGION

	Arriving passengers (thousands)		Compound annual percent increase 2014-2020
	Actual 2014	Forecast 2020	
North America (a)	40,073	44,991	1.9%
Overseas			
Europe	14,586	16,931	2.5
Asia	9,697	14,101	6.4
South America	5,481	6,497	2.9
Oceania	1,586	2,061	4.5
Caribbean	1,339	1,641	3.4
Middle East	1,226	1,980	8.3
Central America	934	1,222	4.6
Africa	514	844	8.6
	<u>35,363</u>	<u>45,277</u>	4.2
	75,436	90,268	3.0

(a) Includes Canada and Mexico.

Sources: U.S. Department of Commerce, International Trade Administration, Office of Tourism Industries, *Forecasts of International Travelers to the United States by World Region*, October 2015.

Cruise Ship Visitors. Port Canaveral, one of the world's busiest cruise ship ports, is located less than 50 miles east of Orlando and is adjacent to the John F. Kennedy Space Center and NASA visitor center at Cape Canaveral. Many out-of-state cruise ship passengers bound for Port Canaveral arrive and depart via the Airport. Port Canaveral is currently served by Carnival Cruise Lines, Disney Cruise Line, Norwegian Cruise Line, and Royal Caribbean; all have signed multi-year agreements for future operations. Victory Casino Cruises also serves Port Canaveral with twice daily 5-hour gaming cruises.

In FY 2015, Port Canaveral was the third busiest North American passenger cruise port (after Port of Miami and Port Everglades) with 3.6 million multi-day cruise passengers, as shown in Table 8. Based on total passenger traffic, including day trips, gaming, and cruise ship traffic, Port Canaveral ranks second with 4.2 million passengers. Port Canaveral's cruise business is expected to grow quickly in the next 4 to 5 years, according to Port Canaveral management.* Future strong growth is based on the Port's deep water channel necessary for mega-cruise ships, convenient access to drive-in and fly-in markets, and having the only established cruise port in Florida with space for significant expansion. In addition, as a home port for Caribbean cruises, Port Canaveral is well positioned for growth associated with the opening of the Cuban market.

*Port Canaveral, Port and Cruise Facts, www.portcanaveral.com, accessed July 2015.

Port Canaveral is undergoing a \$500 million cargo and cruise expansion, including a \$35 million project to deepen and widen Canaveral Harbor to allow larger ships carrying more than 5,000 passengers. As part of the Port's expansion plans, Cruise Terminal 1, a new two-story, 188,514-square-foot facility, opened in December 2014. Cruise Terminal 1 was designed to accommodate the largest cruise ships in the world and features a 1,600-seat pre-boarding area and a 1,000-vehicle parking facility. In the 2016-2017 winter season, Royal Caribbean will base Oasis of the Seas, one of the biggest cruise ships in the world with a full capacity of 6,360, at Port Canaveral. The Oasis of the Seas offers 7-day Eastern and Western Caribbean cruise itineraries from Port Canaveral and is expected to increase the number of cruise passengers at Port Canaveral.

Table 8
TRENDS AT NORTH AMERICA'S BUSIEST CRUISE PORTS

Fiscal Year	Multi-day cruise ship passengers		
	Port Miami	Port Everglades	Port Canaveral
2010	4,100,000	3,314,208	2,722,751
2011	4,018,161	3,664,103	3,100,199
2012	3,774,452	3,689,022	3,761,056
2013	4,030,356	3,509,727	3,717,586
2014	4,770,000	3,880,033	3,863,606
2015	4,915,576	3,622,229	3,620,000
	Percent increase (decrease)		
2010-2011	(2.0%)	10.6%	13.9%
2011-2012	(6.1)	0.7	21.3
2012-2013	6.8	(4.9)	(1.2)
2013-2014	18.4	10.6	3.9
2014-2015	3.2	(6.6)	(6.3)
	Compound annual percent increase		
2010-2015	3.7%	1.8%	5.9%

Note: For Fiscal Years ended September 30.

Sources: Florida Department of Transportation, Florida Transportation Trends and Conditions, June 2013, www.dot.state.fl. Miami Dade County, Port of Miami, press releases, www.miamidade.gov/portmiami. Port Canaveral, annual reports, www.portcanaveral.com. Port Everglades, Port Everglades Waterborne Commerce Chart for the Ten Fiscal Years 2015 through 2006, www.porteverglades.net.

Hotel Infrastructure. In 2015, an estimated 119,000 hotel rooms were located in the Orlando MSA, as shown in Table 9. The number of room nights occupied increased an average of 1.0% per year between 2000 and 2014, with stronger growth between 2010 and 2014 (an average increase of 3.7% per year), reflecting the economic recovery and the strength of the Orlando tourism market. Average daily rates for hotel rooms also increased—an average of 4.4% between 2010 and 2014. Visit Orlando projects occupied room nights in the Orlando MSA to increase an average of 3.2% per year between 2014 and 2018. New hotel construction in the Orlando MSA in the next few years includes:

- Two new hotels on International Drive approved by Orange County in July 2016 which are expected to add more than 300 rooms

- A 548-room hotel on Lake Bryan south of Disney World which is the first phase of a 1,186-room plan for a Planet Hollywood destination resort
- A 175-room hotel in the Margaritaville Resort Orlando scheduled to be completed by the end of 2017 which features a three-acre swimmable freshwater lagoon, 1,000 Margaritaville-themed vacation homes, and 300 timeshare units

Table 9
HISTORICAL AND PROJECTED HOTEL ROOMS AND OCCUPANCY
Orlando MSA

Fiscal Year	Number of rooms	Room nights (millions)		Occupancy rate	Average daily rate
		Available	Occupied		
Historical					
2000	102,838	36.9	26.7	72.4%	\$89.83
2005	111,564	41.0	29.0	70.8%	\$92.00
2010	115,199	43.0	26.7	63.8%	\$90.76
2011	115,413	42.0	28.4	67.6%	\$93.94
2012	116,368	42.4	29.1	68.7%	\$97.21
2013	116,499	42.4	30.0	70.7%	\$101.78
2014	118,212	41.9	30.9	73.7%	\$107.91
Projected					
2015	119,000	41.2	31.1	75.5%	\$114.20
2016	123,600	45.0	34.0	74.1%	n.a.
2017	126,400	46.0	34.0	74.4%	n.a.
2018	129,100	47.0	35.0	73.3%	n.a.
Percent increase (decrease)					
2010-2011	0.2%	(2.3%)	6.4%	6.0%	3.5%
2011-2012	0.8	0.8	2.5	1.6	3.5
2012-2013	0.1	0.2	3.1	2.9	4.7
2013-2014	1.5	(1.2)	3.0	4.2	6.0
Compound annual percent increase (decrease)					
2000-2010	2.1%	2.4%	1.4%	(0.8)%	1.6%
2010-2014	0.6	(0.6)	3.7	3.7	4.4
2000-2014	1.0	0.9	1.0	0.1	1.3
2014-2018	2.2	2.9	3.2	(0.1)	n.a.

n.a. = not available.

Note: For Fiscal Years ended September 30.

Projected hotel rooms in 2016 through 2018 were estimated based on projections of available and occupied room nights.

Source: Visit Orlando, "Recent and Projected Hotel Openings", June 14, 2014 and "Orlando Tourism, State of the Market," updated March 2015.

Economic Outlook

The economic outlook for the United States, the State of Florida, and the Orlando MSA forms a basis for anticipated growth in airline traffic at the Airport. Economic activity in the Orlando MSA and the State is directly linked to the production of goods and services in the United States and the world. Both airline travel and the movement of cargo through the Airport depend on the economic linkages between and among the regional, State, national, and global economies. The economic and other assumptions underlying the forecasts of enplaned passengers are based on a review of national, State, and regional economic outlooks as well as an analysis of historical socioeconomic trends and airline traffic trends.

Global Economy. Globalization of the world economy has linked national economies, with positive impacts on travel as well as trade. The Orlando MSA and the State are strongly connected to the global economy through a number of industry sectors and the three world regions (North America, Europe, and Latin America/Caribbean) that are currently served at the Airport. The economic growth of these world regions, in terms of Gross Domestic Product (GDP), is directly related to the growth in air travel. According to IHS Global Insight, world GDP, in 2010 dollars, is forecast to increase an average of 3.1% per year between 2015 and 2023.* Continued growth in the economies of the world regions most closely aligned with the Orlando MSA economy and airline service at the Airport are expected to contribute to continued growth in passenger traffic at the Airport.

U.S. Economy. The U.S. economy has grown at a slow to moderate pace since the 2008-2009 economic recession, with U.S. GDP growth averaging 2.2% per year between 2009 and 2015. During the first two quarters of 2016, U.S. GDP growth slowed, increasing 1.6% and 1.2%, respectively, compared with the same periods in 2015. In August 2016, the Congressional Budget Office (CBO) projected U.S. economic growth, as measured by U.S. GDP in constant dollars, to increase 1.9% in 2016 (reflecting faster growth in the second half of the year), 2.4% in 2017, and 2.2% in 2018, and then settle into a longer-term 1.8% rate of growth through 2023. . Since the 2008-2009 economic recession, U.S. unemployment rates (seasonally adjusted) have decreased from 9.5% in July 2009 to 4.9% in July 2016. The CBO projects that the unemployment rate will decrease to 4.8% in 2016 and 4.5% in 2017, and then increase to 4.6% in 2018, and average 4.9% through FY 2023.**

Florida Economy. Florida has exceeded the nation in terms of economic and employment growth since 2011, after enduring a prolonged economic recession that began in early 2007. In its December 2015 forecast update, the University of Central Florida continues to expect a recovery stronger in the State than the nation as a whole. Based on the University of Central Florida forecasts:

- Economic growth in Florida, in terms of gross State product adjusted for inflation, is forecast to increase an average of 3.2% per year in 2015 through 2023, exceeding that for the nation.
- Florida's employment growth is forecast to exceed national growth between 2014 and 2023 (an average increase of 2.0% per year), with stronger than average growth expected in construction, professional and business services, trade, transportation, and utilities, leisure and hospitality, and education and health services.

*Federal Aviation Administration, *FAA Aerospace Forecasts, Fiscal Years 2016-2036*, www.faa.gov, March 2016.

**Congressional Budget Office, *An Update to the Budget and Economic Outlook: Fiscal Years 2016-2026*, August 2016, www.cbo.gov.

- Unemployment rates in Florida are forecast to average 5.0% between 2014 and 2023, approximating forecasts of national unemployment rates.
- Florida's average per capita personal income, adjusted for inflation, is forecast to increase an average of 2.4% per year between 2014 and 2023, approximating national per capita income forecasts.
- Florida's housing market continues to improve, reflecting a shrinking inventory and a backlog of housing starts putting upward pressure on housing prices.

Orlando MSA Economy. Florida has exceeded the nation in terms of economic and employment growth since 2011, after enduring a prolonged economic recession that began in early 2007. In its December 2015 forecast update, the University of Central Florida expects a recovery stronger than the nation as a whole. Based on the University of Central Florida forecasts:

- Employment growth in the Orlando MSA is forecast to exceed State and national growth between 2014 and 2023 (an average increase of 2.7% per year), with stronger than average growth expected in construction, professional and business services, and education and health services.
- Unemployment rates in the Orlando MSA are forecast to average 4.7% between 2014 and 2023, lower than forecasts for the State and the nation.
- Average per capita personal income in the Orlando MSA, adjusted for inflation, is forecast to increase an average of 2.5% per year between 2014 and 2023, approximating forecast growth for the State and nation.
- Similar to the State, the housing market in the Orlando MSA continues to improve, with strong in housing starts through 2023.

Economic Basis for Airline Traffic Forecasts. Factors expected to contribute to economic growth in the Orlando MSA and associated increases in airline travel include (1) its popularity as a domestic and international tourist destination and its substantial tourism and hospitality infrastructure, (2) the continued efforts by the MSA's theme parks to refresh their entertainment offerings, (3) the continued diversity in the economic base and growth in the existing and emerging Orlando MSA industry clusters described earlier, which lessens its vulnerability to weaknesses in particular industry sectors, and (4) continued reinvestment to support the development of tourism, conventions, and other businesses. This outlook is reflected in the airline traffic forecasts presented in the "Airline Traffic Forecasts" section of this Report.

HISTORICAL AIRLINE SERVICE AND TRAFFIC

Airlines serving the Airport; enplaned passenger trends; airline shares of passengers; origin-destination markets; airline service at the Airport; and airline fares and yields are discussed in this section.

Airlines Serving the Airport

As of July 2016, 4 U.S. network passenger airlines, 1 regional airline, 6 low cost carriers, and 21 foreign-flag airlines provided service at the Airport, as shown in Table 10. In addition, 6 airlines provided all-cargo service.

Table 10
AIRLINES SERVING ORLANDO INTERNATIONAL AIRPORT

Network carriers	Foreign-flag airlines
Alaska Airlines	Aer Lingus
American Airlines	Aeromexico
Delta Air Lines	Air Canada
United Airlines	Air Transat
Regional airlines	Avianca
Silver Airways	Azul Airlines
Low cost carriers	Bahamasair
Frontier Airlines	British Airways
JetBlue Airways	Caribbean Airlines
Southwest Airlines	Copa Airlines
Spirit Airlines	Emirates
Sun Country Airlines	Icelandair
Virgin America	Lan Airlines (a)
All-cargo airlines	Lufthansa German Airlines
ABX Air	Norwegian Air Shuttle
Air Transport International	Sunwing Airlines
Amerijet International	TAM Linhas Aereas (a)
FedEx	Thomas Cook Airlines
Mountain Air Cargo	Virgin Atlantic Airways
United Parcel Service	Volaris
	Westjet

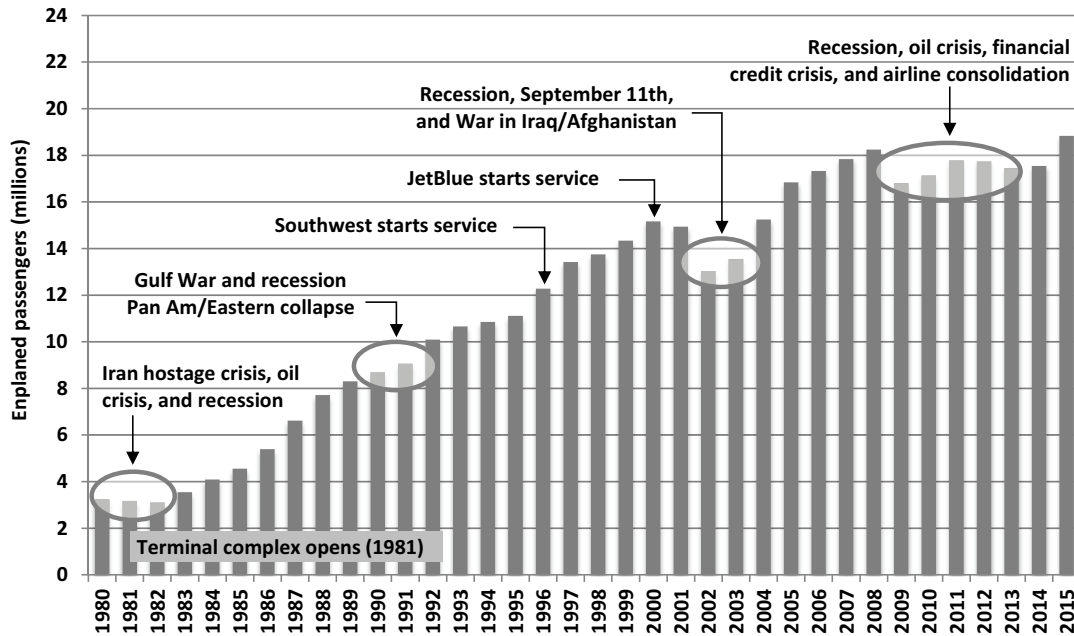
(a) Lan Airlines and TAM Linhas Aereas merged in 2012 to form LATAM but continue to operate under separate brands until 2018 when all aircraft are expected to be rebranded as LATAM.

Sources: OAG Aviation Worldwide Ltd., online database, accessed July 2016 and Greater Orlando Aviation Authority records.

Enplaned Passenger Trends

Figure 12 presents trends in enplaned passengers at the Airport between FY 1980 (a year before the NTC opened) and FY 2015. Table 11 presents enplaned passengers by type of carrier between FY 2000 and FY 2015 and during the first 8 months of FY 2016. The number of enplaned passengers increased an average of 5.2% between FY 1980 and FY 2015, with slower growth between FY 2000 and FY 2015 (averaging 1.5% per year), reflecting the 2000-2001 economic recession, terrorist events of September 2001, a slow recovery from the 2008-2009 economic recession and the U.S. financial crisis, and airline industry consolidation and associated capacity reductions between 2008 and 2013. International passenger traffic increased an average of 4.5% per year between FY 2000 and FY 2015, compared with an average increase of 1.1% in domestic passenger traffic.

Figure 12
HISTORICAL ENPLANED PASSENGERS
 Orlando International Airport



Note: For Fiscal Years ended September 30.

Opening of Orlando theme parks: Disney World (1971), SeaWorld Orlando (1973), Universal Studios Florida (1990).

Source: Greater Orlando Aviation Authority records.

Low cost carriers accounted for much of the growth in domestic passengers between FY 2000 and FY 2015, increasing an average of 8.1% per year, and offset decreases by network airlines during this period (an average decrease of 2.1% per year). The number of international passengers on foreign-flag airlines increased an average of 4.3% between FY 2000 and FY 2015 and accounted for 86% of international passengers at the Airport in FY 2015. U.S. airline international passengers at the Airport increased an average of 6.3% per year between FY 2000 and FY 2015—faster growth than foreign-flag airlines—but accounted for a smaller share of international passengers (14%).

During the first 8 months of FY 2016, the number of enplaned passengers at the Airport increased 10.7% compared with the same period in FY 2015, driven by a 9.9% increase in domestic passengers and a 16.5% increase in international passengers. Low cost carriers accounted for most of the increase in domestic passengers during the first 8 months of FY 2016, with Frontier, jetBlue, Southwest, and Spirit reporting increases. Foreign-flag airlines accounted for most of the increase in international passengers during the first 8 months of FY 2016, reflecting, in part, new service by airlines such as Azul and Norwegian Air Shuttle.

Table 11
HISTORICAL ENPLANED PASSENGERS
 Orlando International Airport
 In thousands

Fiscal Year	Domestic					International			Total enplaned passengers
	Network airlines			Low cost carriers	Total	U.S. flag airlines	Foreign-flag airlines (a)	Total	
	Network airlines (a)	Regional affiliates	Total						
2000	10,588	632	11,219	2,702	13,922	137	1,098	1,236	15,157
2001	10,102	436	10,538	3,282	13,821	79	1,034	1,113	14,934
2002	8,138	440	8,578	3,611	12,189	62	774	836	13,025
2003	7,912	698	8,610	4,065	12,675	71	786	857	13,532
2004	8,638	742	9,380	4,880	14,261	68	905	973	15,233
2005	9,176	934	10,110	5,651	15,761	56	1,017	1,073	16,833
2006	8,925	933	9,857	6,401	16,259	74	984	1,058	17,317
2007	8,610	715	9,325	7,423	16,748	55	1,029	1,084	17,832
2008	8,279	409	8,689	8,232	16,920	79	1,239	1,318	18,238
2009	7,257	35	7,292	8,081	15,373	124	1,302	1,426	16,799
2010	6,993	60	7,053	8,482	15,535	231	1,365	1,596	17,131
2011	7,135	125	7,260	8,820	16,080	263	1,429	1,692	17,772
2012	7,136	107	7,243	8,628	15,870	288	1,572	1,860	17,730
2013	7,243	100	7,343	8,128	15,471	277	1,680	1,957	17,427
2014	7,454	73	7,527	7,951	15,478	293	1,765	2,057	17,535
2015	7,645	94	7,739	8,687	16,426	342	2,059	2,401	18,827
First 9 months									
2015	5,809	72	5,881	6,551	12,433	248	1,484	1,732	14,165
2016	6,026	54	6,080	7,570	13,651	324	1,683	2,007	15,658
Percent increase (decrease)									
2010-2011	2.1%	107.9%	2.9%	4.0%	3.5%	14.0%	4.7%	6.0%	3.7%
2011-2012	0.0%	(14.2)	(0.2)	(2.2)	(1.3)	9.4	10.0	9.9	(0.2)
2012-2013	1.5	(6.5)	1.4	(5.8)	(2.5)	(3.9)	6.9	5.2	(1.7)
2013-2014	2.9	(27.2)	2.5	(2.2)	0.0	5.8	5.0	5.1	0.6
2014-2015	2.6	28.4	2.8	9.3	6.1	16.9	16.7	16.7	7.4
2015-2016 (b)	3.7	(24.4)	3.4	15.6	9.8	30.7	13.4	15.9	10.5
Compound annual percent increase (decrease)									
2000-2010	(4.1%)	(21.0%)	(4.5%)	12.1%	1.1%	5.3%	2.2%	2.6%	1.2%
2010-2015	1.8	9.3	1.9	0.5	1.1	8.2	8.6	8.5	1.9
2000-2015	(2.1)	(12.0)	(2.4)	8.1	1.1	6.3	4.3	4.5	1.5

Note: For Fiscal Years ended September 30. Totals may not add due to rounding.

(a) Includes passengers enplaned on charter airlines.

(b) Represents the year over year increase for the first 9 months (October through June).

Source: Greater Orlando Aviation Authority records.

Enplaned Passenger Trends by Visitors and Residents

Between FY 2000 and FY 2015, the number of visitors (non-residents) at the Airport increased an average of 1.2% per year and accounted for 74.5% of outbound O&D passengers at the Airport in FY 2015, as shown in Table 12. Passenger traffic by residents increased an average of 2.5% per year between FY 2000 and FY 2015—faster growth than visitors—but accounted for a smaller share of outbound O&D passengers (25.5%) in FY 2015.

International Enplaned Passengers by Region

Between FY 2010 and FY 2015, the number of revenue enplaned passengers on international flights increased an average of 8.6% per year, as shown in Table 13. Europe accounted for the largest share of international revenue passengers in FY 2015 with 32.9% but slower than average growth (an average increase of 2.1% per year between FY 2010 and FY 2015), reflecting, in part, Europe's slow economic recovery and continuing financial crisis. Passenger traffic to and from other world regions—Mexico, Central America, South America, Canada, and the Caribbean—was the primary driver of international traffic growth at the Airport between FY 2010 and FY 2015. South America accounted for the strongest growth between FY 2010 and FY 2015, increasing an average of 23.1% per year, followed by the Caribbean (an average increase of 14.9% per year), and Central America (an average increase of 12.6% per year).

In recent years, the Airport's facility needs for the processing of international passengers have increased. Between FY 2010 and FY 2015, with the continued development of international airline service at the Airport, the number of international arriving passengers requiring FIS facilities increased an average of 9.2% per year, compared with an average increase of 7.1% per year in the number of "precleared" passengers who do not require U.S. Customs processing at MCO, as shown in Table 13. In the past, the growth in international arriving passengers requiring FIS facilities has been slower than precleared passengers.*

International airline service in the Orlando MSA is also provided at Sanford International Airport (Sanford). Sanford, classified by the U.S. Federal Aviation Administration (FAA) as a small hub airport, is located within the Orlando MSA, approximately 35 miles north of the Airport. International service at Sanford has been focused on charter flights, most of which originated in the United Kingdom and elsewhere in Europe. Since 2007, international charter service to and from the Orlando area declined substantially while scheduled international airline service increased. In FY 2015, the Airport's share of international passengers increased to 97% of the combined total (the Airport and Sanford) while Sanford's share had fallen to 3%—its lowest historical share since FY 1996 when international service started at Sanford.

*U.S. Customs and Border Protection (CBP) inspects and clears passengers arriving in the United States on all international flights, except for those traveling from locations which provide for the preclearance of inbound passengers by U.S. CBP officials at their point of departure (e.g., at designated airports in Canada, the Bahamas, Bermuda).

Table 12
PASSENGER TRAFFIC TRENDS BY RESIDENTS AND VISITORS
 Orlando International Airport
 In thousands

Fiscal Year	Enplaned passengers					Percent of total	
	Outbound O&D (a)			Connecting and other (a)	Total (b)		
	Orlando MSA residents	Visitors	Total			Orlando MSA residents	Visitors
2000	3,152	11,116	14,268	890	15,157	22.1%	77.9%
2001	3,141	11,024	14,166	768	14,934	22.2	77.8
2002	2,854	9,496	12,350	675	13,025	23.1	76.9
2003	3,036	9,792	12,829	703	13,532	23.7	76.3
2004	3,467	10,973	14,440	794	15,234	24.0	76.0
2005	4,091	12,022	16,113	721	16,833	25.4	74.6
2006	4,357	12,084	16,440	876	17,317	26.5	73.5
2007	4,441	12,451	16,892	940	17,832	26.3	73.7
2008	4,436	12,840	17,277	962	18,238	25.7	74.3
2009	4,138	11,876	16,014	784	16,799	25.8	74.2
2010	4,211	11,960	16,171	960	17,131	26.0	74.0
2011	4,244	12,425	16,669	1,101	17,770	25.5	74.5
2012	4,256	12,418	16,673	1,057	17,730	25.5	74.5
2013	4,182	12,471	16,653	774	17,427	25.1	74.9
2014	4,200	12,532	16,732	803	17,535	25.1	74.9
2015	4,566	13,350	17,916	911	18,827	25.5	74.5
Compound annual percent increase (decrease)							
2000-2010	2.9%	0.7%	1.3%	0.8%	1.2%		
2010-2015	1.6	2.2	2.1	(1.1)	1.9		
2000-2015	2.5	1.2	1.5	0.2	1.5		

Note: For Fiscal Years ended September 30.

(a) Based on data from U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, and Schedules T100 and 298C and estimates prepared by LeighFisher.

(b) Greater Orlando Aviation Authority records.

Table 13
REVENUE ENPLANED PASSENGERS BY INTERNATIONAL REGION
Orlando International Airport

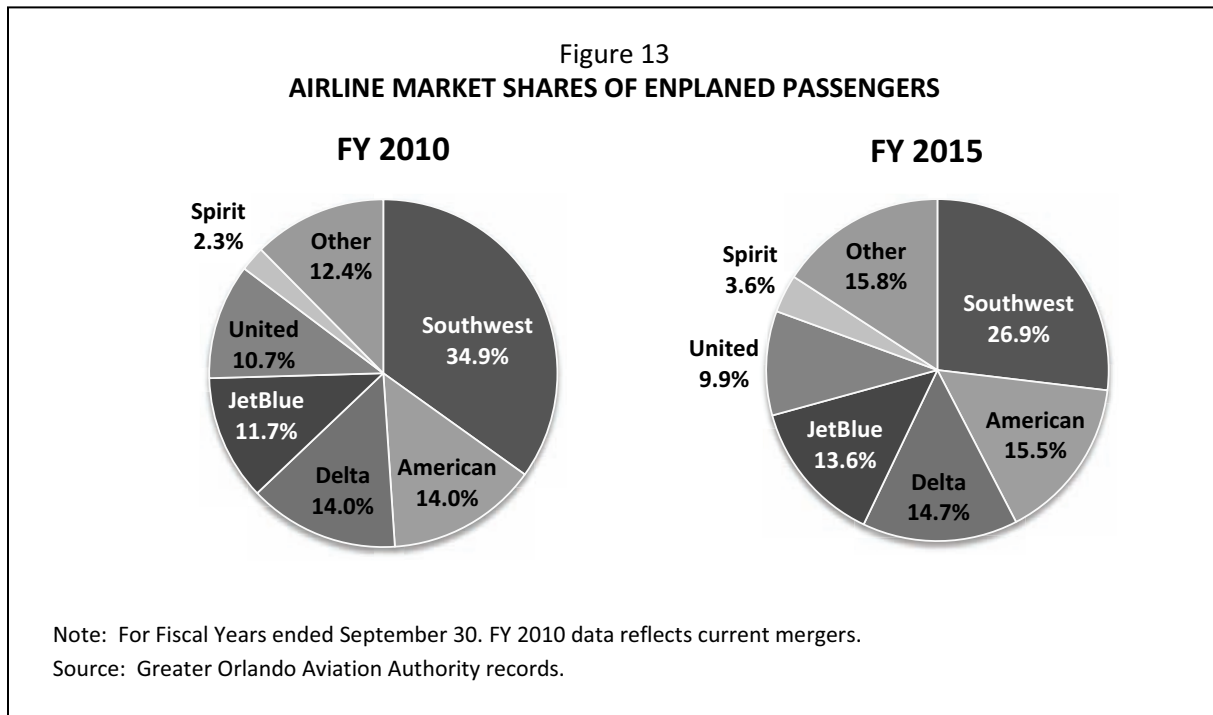
International region	FIS required		Precleared		Total	
	FY 2010	FY 2015 (a)	FY 2010	FY 2015 (a)	FY 2010	FY 2015 (a)
Europe						
United Kingdom	530,526	605,740	--	--	530,526	605,740
Other	<u>123,545</u>	<u>134,030</u>	<u>39,894</u>	<u>29,490</u>	<u>163,439</u>	<u>163,520</u>
Subtotal--Europe	654,071	739,770	39,894	29,490	693,965	769,260
Canada	9,108	21,250	349,957	501,970	359,065	523,220
Central America						
Mexico	89,226	191,930	--	--	89,226	191,930
Other	<u>145,392</u>	<u>232,840</u>	<u>--</u>	<u>--</u>	<u>145,392</u>	<u>232,840</u>
Subtotal--Central America	234,618	424,770	--	--	234,618	424,770
Caribbean	77,931	181,350	69,386	114,230	147,317	295,580
South America	114,402	322,900	--	--	114,402	322,900
Other	<u>3,008</u>	<u>5,840</u>	<u>--</u>	<u>--</u>	<u>3,008</u>	<u>5,840</u>
Total passengers	1,093,138	1,695,880	459,237	645,690	1,552,375	2,341,570
Compound annual percent increase (decrease): 2010-2015						
	FIS required		Precleared		Total	
Europe						
United Kingdom		2.7%		--%		2.7%
Other		1.6		-5.9		0.0
Subtotal--Europe		2.5		-5.9		2.1
Canada		18.5		7.5		7.8
Central America				--		
Mexico		16.6		--		16.6
Other		9.9		--		9.9
Subtotal--Central America		12.6		--		12.6
Caribbean		18.4		10.5		14.9
South America		23.1		--		23.1
Other		14.2		--		14.2
Total passengers		9.2		7.1		8.6

(a) Estimated based on data for October 2014 through July 2015.

Source: U.S. Department of Transportation, Schedule T100, DOT Analyser, accessed March 2016.

Enplaned Passenger Market Shares

In FY 2015, Southwest (including its former AirTran routes) accounted for 26.9% of all passengers enplaned at the Airport, less than its FY 2010 share (34.9%), as shown in Table 14 and on Figure 13. American (including its former US Airways routes) accounted for the second largest share with 15.5%, followed by Delta with 14.7%, jetBlue with 13.6%, United with 9.9%, and Spirit with 3.6%. Compared with many other large U.S. hub airports, the Airport exhibits a relatively low degree of airline concentration.



Over the past decade, U.S. low cost carriers* providing primarily domestic service were the primary drivers of increased passenger volumes at the Airport, increasing their collective market share of total enplaned passengers from 18% in FY 2000 to 50% in FY 2010 and maintaining a share of 46% in FY 2015. This gain came largely at the expense of the legacy airlines (Delta, United, American and their regional code-sharing affiliates) which, as a group, declined from 75% in FY 2000 to 43% in FY 2010 and FY 2015. Foreign-flag carriers increased their share from 7% in FY 2000 to 8% in FY 2010 and 11% in FY 2015. In addition to LCC domestic service, LCC international service is also provided by two U.S. LCCs—jetBlue and Southwest—and three foreign-flag airlines—Norwegian Air Shuttle, Volaris, and Westjet.

*Low cost carriers (LCCs) include Allegiant Air, Frontier, JetBlue, Southwest/AirTran, Spirit, Sun Country, and Virgin America.

Table 14
ENPLANED PASSENGERS BY AIRLINE
Orlando International Airport

Airline	Enplaned passengers (thousands)		Percent of total	
	FY 2010	FY 2015	FY 2010	FY 2015
Domestic				
Southwest (a)	5,956	4,983	38.3%	30.3%
American (b)	2,406	2,920	15.5	17.8
Delta	2,389	2,764	15.4	16.8
jetBlue	1,796	2,318	11.6	14.1
United (c)	1,839	1,857	11.8	11.3
Spirit	397	677	2.6	4.1
All others	<u>752</u>	<u>906</u>	<u>4.8</u>	<u>5.6</u>
Subtotal--domestic	15,535	16,426	100.0%	100.0%
International				
Virgin Atlantic	447	402	28.0%	16.7%
Air Canada	172	271	10.8	11.3
JetBlue	201	249	12.6	10.4
Copa	86	191	5.4	8.0
WestJet	137	169	8.6	7.0
TAM	74	165	4.6	6.9
British Airways	99	142	6.2	5.9
Lufthansa	82	112	5.1	4.7
Aeromexico	44	96	2.8	4.0
Southwest (a)	22	80	1.4	3.3
Azul	--	71	--	2.9
Thomas Cook	--	65	--	2.7
GOL	3	48	0.2	2.0
All others	<u>228</u>	<u>339</u>	<u>15.7</u>	<u>14.1</u>
Subtotal--international	1,596	2,401	100.0%	100.0%
Total				
Southwest (a)	5,978	5,064	34.9%	26.9%
American (b)	2,406	2,920	14.0	15.5
Delta	2,389	2,764	14.0	14.7
JetBlue	1,997	2,567	11.7	13.6
United (c)	1,839	1,857	10.7	9.9
Spirit	397	677	2.3	3.6
All others	<u>2,124</u>	<u>2,978</u>	<u>12.4</u>	<u>15.8</u>
Total	17,131	18,827	100.0%	100.0%

Note: For Fiscal Years ended September 30.

(a) Merged with AirTran Airways in 2011.

(b) Merged with US Airways in 2013.

(c) Merged with Continental Airlines in 2010.

Source: Greater Orlando Aviation Authority records.

Origin-Destination Markets

Table 15 shows the top 20 domestic destination markets for passengers originating their journeys at the Airport for FY 2015. These 20 markets accounted for 61.8% of the total scheduled airline domestic O&D passengers at the Airport in FY 2015.

Table 15
DOMESTIC PASSENGER DESTINATION PATTERN AND AIRLINE SERVICE
Orlando International Airport

Rank	Origin-destination market	Air miles from Orlando	Percent of domestic O&D passengers In FY 2015	Average scheduled daily nonstop domestic departures in July 2016		
				Network	Low cost carriers	Total
1	New York (a)	944	11.0%	23	22	45
2	Washington, D.C. (b)	760	6.1	9	18	27
3	Chicago (c)	1,008	5.3	11	11	22
4	Philadelphia	864	4.3	8	6	14
5	Boston	1,124	3.0	1	7	8
6	Dallas/Ft. Worth (d)	984	2.9	10	5	15
7	San Juan	1,190	2.8	--	13	13
8	Atlanta	405	2.8	16	8	24
9	Los Angeles (e)	2,216	2.8	7	2	9
10	Detroit	960	2.6	6	3	9
11	Minneapolis-St. Paul	1,313	2.4	4	2	6
12	Denver	1,547	2.1	3	6	9
13	Providence	1,075	2.1	--	6	6
14	Houston (f)	854	2.1	7	6	13
15	Hartford	1,053	2.0	--	5	5
16	San Francisco (g)	2,441	1.8	3	--	3
17	Buffalo	1,014	1.6	--	4	4
18	Pittsburgh	837	1.5	--	5	5
19	Milwaukee	1,067	1.4	--	6	6
20	Indianapolis	830	<u>1.3</u>	<u>1</u>	<u>5</u>	<u>6</u>
Total—top 20 markets			61.8%	110	139	249
All other markets			<u>38.2</u>	<u>45</u>	<u>74</u>	<u>118</u>
Total—all markets			100.0%	154	213	367

Note: For Fiscal Years ended September 30.

Low cost carriers (LCCs) include Frontier, JetBlue, Southwest/AirTran, Spirit, Sun Country, and Virgin America.

(a) Newark Liberty International, LaGuardia, and John F. Kennedy International airports.

(b) Reagan Washington National, Baltimore/Washington International Thurgood Marshall, and Washington Dulles International airports.

(c) Chicago O'Hare and Midway International airports.

(d) Dallas-Fort Worth International Airport and Love Field.

(e) Los Angeles International, Bob Hope (Burbank), Ontario International, John Wayne (Orange County), and Long Beach airports.

(f) Bush Intercontinental Airport /Houston and William P. Hobby airports.

(g) San Francisco, Oakland, and Mineta San Jose International airports.

Sources Originating percentage: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, online database, accessed March 2016.

Departures: OAG Aviation Worldwide Ltd., online database, accessed March 2016.

New York and Washington, D.C. are the top two destination markets for O&D passengers at the Airport, accounting for 11.0% and 6.1%, respectively, of the total O&D passengers at the Airport in FY 2015. Other major destinations include Chicago, Philadelphia, Boston, Dallas-Fort Worth, San Juan, and Atlanta.

Table 15 also presents the average daily number of nonstop departures to the domestic destination markets listed in July 2016. Each of the top 20 destinations is served nonstop from the Airport in July 2016, as shown in Table 15. Low cost carriers provide nonstop service to 19 of the top 20 destinations and account for 58% of all nonstop departures at the Airport in July 2016.

Airline Airfares

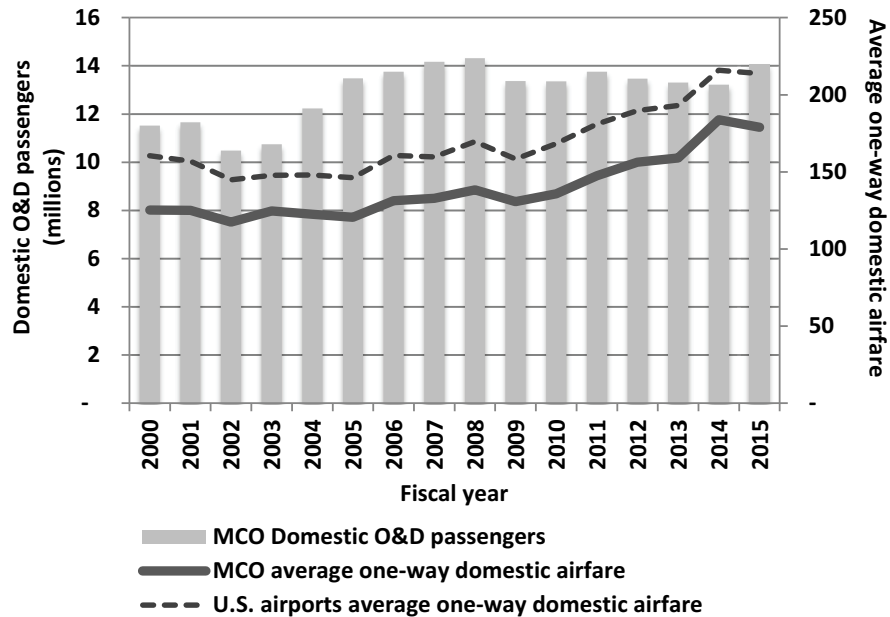
Figure 14 provides a comparison of changes in numbers of domestic O&D passengers and average domestic one-way airfares paid at the Airport in FY 2000 through FY 2015.* In addition, domestic airfares for all U.S. airports are shown on Figure 14. Between FY 2000 and FY 2008, the number of domestic O&D passengers at the Airport increased an average of 2.8% per year, while domestic airfares at MCO and all U.S. airports remained relatively unchanged. Since FY 2008, O&D passenger traffic has decreased and remained below FY 2008 levels, reflecting the effect of the oil price spike in June 2008, the financial crisis, and the 2008-2009 national economic recession. Domestic airfares at MCO and all U.S. airports increased between FY 2008 and FY 2014 an average of 4.8% and 4.1% per year, respectively, reflecting airline reductions in domestic seating capacity that put upward pressure on airfares and contributed to dampened passenger demand. In FY 2015, domestic O&D passengers at the Airport increased 6.3% in response to a 2.6% decrease in domestic airfares and a 6.0% increase in domestic scheduled departing seats. In comparison, domestic O&D passengers at all U.S. airports increased 4.9% in response to a 1.0% decrease in domestic airfares and a 2.7% increase in domestic scheduled departing seats. Domestic O&D passengers at MCO in FY 2015 are only 269,000 lower than the FY 2008 peak of approximately 14.3 million.

Airline Service

Between 2010 and 2016, passenger airline service at the Airport, in terms of scheduled departing seats, decreased to U.S. destinations but increased considerably to international destinations, albeit on a smaller base, as shown in Table 16. The decrease in domestic service at the Airport reflects the slow recovery from the 2008-2009 economic recession and continued capacity discipline practiced by airlines throughout the United States. Latin America led the growth in seats at the Airport between 2010 and 2014, followed by Canada and Europe.

*The fares that airlines report to the U.S. DOT are exclusive of many ancillary charges (fees for checked baggage and preferred aircraft seating, for example) and, given the rapid rise in such fees beginning in 2008, increasingly understate the consumer's real cost of airline travel.

Figure 14
TRENDS IN DOMESTIC O&D PASSENGERS AND AIRFARES
 Orlando International Airport



Note: Fiscal Years ended September 30.

Average one-way fares shown are net of all taxes, fees, and PFCs, and exclude ancillary fees charged by airlines.

Source: U.S. Department of Transportation, *Origin-Destination Survey of Airline Passenger Traffic, Domestic*, DOT Analyser database, accessed August 2016.

In 2015 and 2016, scheduled departing seats at the Airport increased 8.2% and 6.4%, respectively, with each of the world regions shown in Table 16 showing increases, except for the Caribbean and lower South America in 2016 based on advance airline schedules. In FY 2015, new airline service from Orlando was introduced by five airlines—Azul Airlines service to Sao Paulo*, Brazil in December 2014, Lan Airlines service to Lima, Peru in June 2015, Tam Airlines service to Brasilia, Brazil in June 2015, —Emirates service to Dubai, United Arab Emirates in September 2015, and Icelandair service to Reykjavik, Iceland in September 2015. Tam Airlines discontinued its service to Brasilia in June 2016 in the midst of the ongoing Brazilian economic recession.

*Service provided at Viracopos Airport in Campinas, the metropolitan area north of and adjacent to Sao Paulo.

Table 16
PASSENGER AIRLINE SCHEDULED SERVICE
Orlando International Airport

	Scheduled activity in June of each year							
	Seats				Departures			
	2010	2014	2015	2016	2010	2014	2015	2016
Europe	59,998	79,777	88,615	98,664	198	222	241	272
Latin America								
Caribbean	89,246	102,265	106,544	104,826	635	735	758	772
Central America	24,306	38,248	44,509	50,891	180	274	316	332
Lower South America	6,330	12,488	24,735	24,688	30	56	105	100
Upper South America	<u>4,500</u>	<u>10,170</u>	<u>12,086</u>	<u>12,870</u>	<u>30</u>	<u>72</u>	<u>84</u>	<u>90</u>
Subtotal--Latin America	124,382	163,171	187,874	193,275	875	1,137	1,263	1,294
Middle East	--	--	--	7,980	--	--	--	30
North America								
Canada	19,668	29,863	32,550	41,793	132	211	218	254
United States	<u>1,542,351</u>	<u>1,461,580</u>	<u>1,568,040</u>	<u>1,656,214</u>	<u>10,845</u>	<u>9,849</u>	<u>10,421</u>	<u>10,565</u>
Subtotal--North America	1,562,019	1,491,443	1,600,590	1,698,007	10,977	10,060	10,639	10,819
Total scheduled service	1,746,399	1,734,391	1,877,079	1,997,926	12,050	11,419	12,143	12,415
Percent increase (decrease)								
	<u>2010-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>		<u>2010-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	
Europe	33.0%	11.1%	11.3%		12.1%	8.6%	12.9%	
Latin America								
Caribbean	14.6	4.2	(1.6)		15.7	3.1	1.8	
Central America	57.4	16.4	14.3		52.2	15.3	5.1	
Lower South America	97.3	98.1	(0.2)		86.7	87.5	(4.8)	
Upper South America	126.0	18.8	6.5		140.0	16.7	7.1	
Subtotal--Latin America	31.2	15.1	2.9		29.9	11.1	2.5	
Middle East	--	--	--		--	--	--	
North America								
Canada	51.8	9.0	28.4		59.8	3.3	16.5	
United States	(5.2)	7.3	5.6		(9.2)	5.8	1.4	
Subtotal--North America	(4.5)	7.3	6.1		(8.4)	5.8	1.7	
Total scheduled service	(0.7)	8.2	6.4		(5.2)	6.3	2.2	

Note: Advance schedules for 2016 are subject to change. Upper South America includes Bolivia, Colombia, Ecuador, French Guiana, Guyana, Peru, Suriname, and Venezuela. Lower South America includes Argentina, Brazil, Chile, Paraguay, and Uruguay.

Source: OAG Aviation Worldwide Ltd., online database, accessed March 2016.

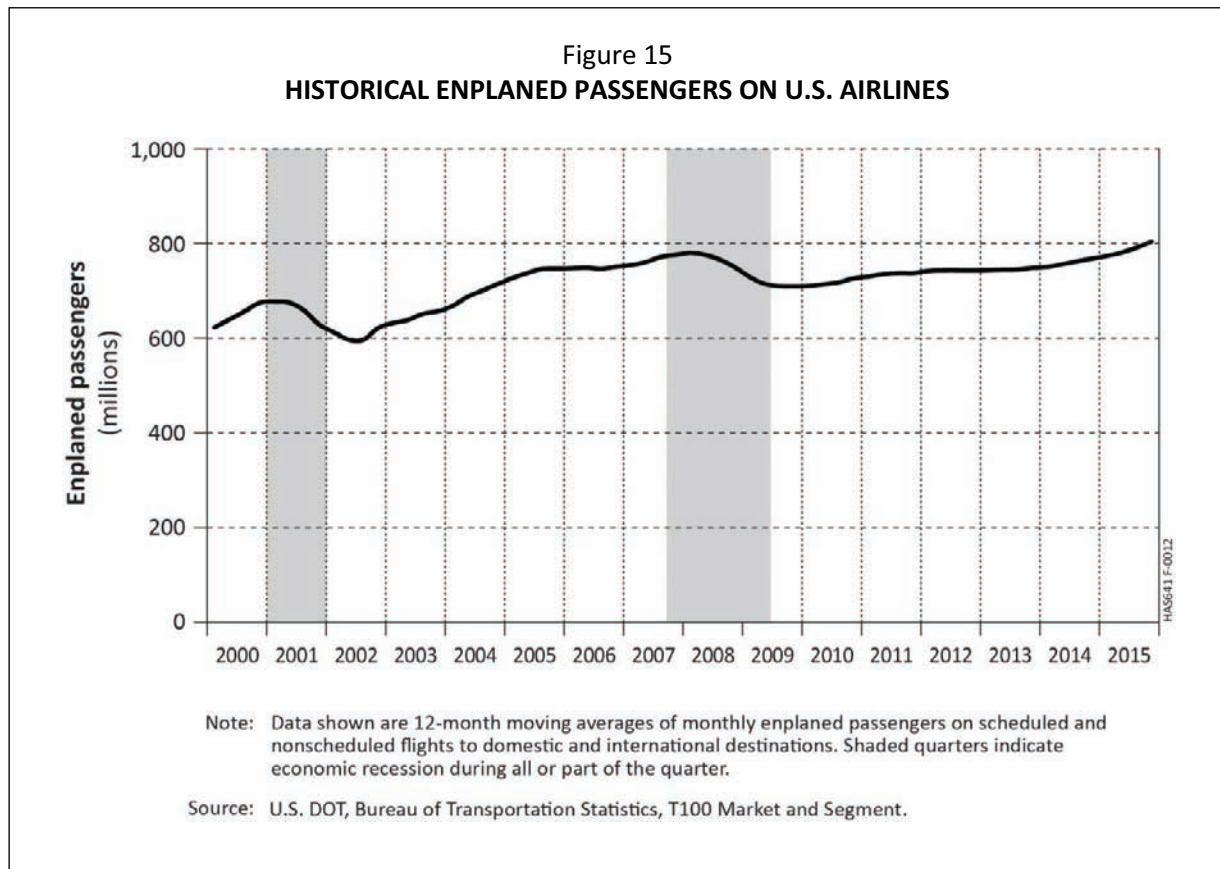
KEY FACTORS AFFECTING FUTURE AIRLINE TRAFFIC

In addition to the economy and demographics of the Airport service region, discussed earlier, key factors that will affect future airline traffic at the Airport include:

- National economic conditions
- International economic, political, health, and security conditions
- Financial health of the airline industry
- Airline service and routes
- Airline competition and airfares
- Availability and price of aviation fuel
- Aviation safety and security concerns
- Capacity of the national air traffic control system
- Capacity of the Airport

National Economic Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. As illustrated in Figure 15, recessions in the U.S. economy in 2001 and 2008-2009 and associated high unemployment reduced discretionary income and contributed to reduced airline travel demand in those years. Sustained future increases in passenger traffic at the Airport will depend on national economic growth.

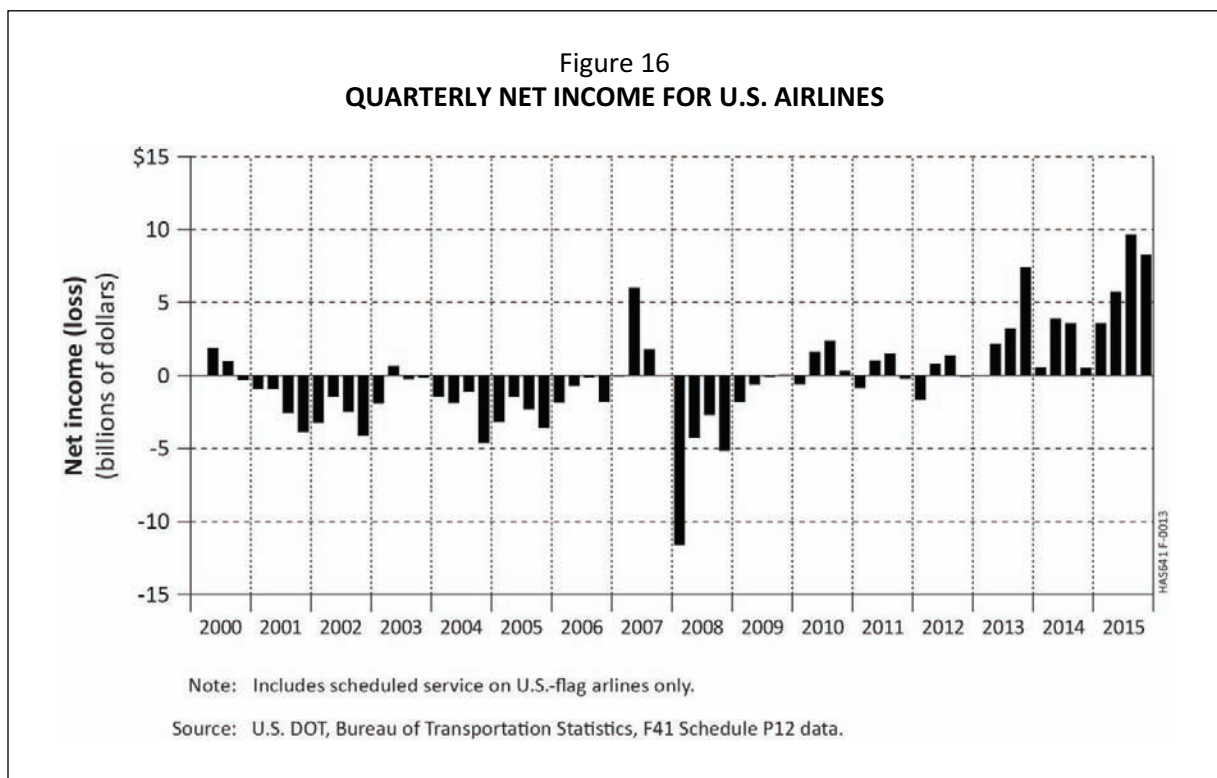


International Economic, Political, Health, and Security Conditions

With the globalization of business and the increased importance of international trade and tourism, international economics, trade balances, currency exchange rates, and political relationships all influence passenger traffic at major U.S. airports. Concerns about hostilities and other perceived security and public health risks also affect travel demand to particular international destinations. Public health concerns have also increased in the past year with the spread of the Zika virus, including travel guidance for certain foreign locations issued by the U.S. Center for Disease Control and Prevention in January 2016, and travel guidance for certain locations in Miami, Florida issued by the same organization in August 2016. Sustained future increases in passenger traffic at the Airport will depend on global economic growth as well as stable and secure international conditions.

Financial Health of the Airline Industry

The number of passengers using the Airport will depend partly on the profitability of the U.S. airline industry and the associated ability of the industry and individual airlines to make the necessary investments to provide service. Figure 16 shows historical net income for U.S. airlines.



As a result of the 2001 economic recession, the disruption of the airline industry that followed the September 2001 attacks, increased fuel and other operating costs, and price competition, the industry experienced huge financial losses. In 2001 through 2005, the major U.S. passenger airlines collectively recorded net losses of approximately \$61 billion. To mitigate those losses, all of the major network airlines restructured their route networks and flight schedules and reached agreement with their employees, lessors, vendors, and creditors to cut costs, either under Chapter 11 bankruptcy protection or the possibility of such. Between 2002 and 2005, Delta Air Lines, Northwest Airlines, United Airlines, and US Airways all filed for bankruptcy protection and restructured their operations.

In 2006 and 2007, the U.S. passenger airline industry as a whole was profitable, recording net income of approximately \$23 billion, but in 2008, as oil and aviation fuel prices increased to unprecedented levels, the industry experienced a profitability crisis. In 2008 and 2009, the U.S. passenger airline industry recorded net losses of approximately \$27 billion. The industry responded by, among other actions, grounding less fuel-efficient aircraft, eliminating unprofitable routes and hubs, reducing seat capacity, and increasing airfares. Between 2007 and 2009, U.S. passenger airlines collectively reduced domestic capacity (as measured by available seat-miles) by approximately 10%.

In 2010 through 2013, the U.S. passenger airline industry as a whole recorded net income of approximately \$15 billion, in spite of sustained high fuel prices, by controlling capacity and nonfuel expenses, increasing airfares, recording high load factors, and increasing ancillary revenues. Between 2009 and 2013, the airlines collectively increased domestic seat-mile capacity by an average of just 1.0% per year. American filed for bankruptcy protection in 2011. In 2014, the U.S. passenger airline industry reported net income of \$9 billion, assisted by reduced fuel prices in the second half of the year (as discussed in the later section, "Availability and Price of Aviation Fuel"). In 2015, the industry then achieved record net income of \$27 billion as fuel prices decreased further, demand remained strong, and capacity control allowed average fares to remain high.

Sustained industry profitability will depend on, among other factors, economic growth to support airline travel demand, continued capacity control to allow increased airfares, and stable fuel prices. Consolidation of the U.S. airline industry has resulted from the acquisition of Trans World by American (2001), the merger of US Airways and America West (2005), the merger of Delta and Northwest (2009), the merger of United and Continental (2009), the acquisition of AirTran by Southwest (2011), and the merger of American and US Airways (2013).

Such consolidation has resulted in four airlines (American, Delta, Southwest, and United) accounting for approximately 80% of domestic seat-mile capacity and is expected by airline industry analysts to contribute to industry profitability. However, any resumption of financial losses could cause U.S. airlines to seek bankruptcy protection or liquidate. The liquidation of any of the large network airlines would drastically affect airline service at certain connecting hub airports, present business opportunities for the remaining airlines, and change airline travel patterns nationwide. In April 2016, Alaska Air Group, parent of Alaska Airlines, announced that it will acquire Virgin America Airlines. In 2015, the two airlines together accounted for 6.6% of domestic U.S. airline industry seat-mile capacity. The proposed acquisition is subject to regulatory approval. Alaska Airlines and Virgin America serve the Airport, each accounting for less than 1%, of total enplaned passengers in FY 2015.

Airline Service and Routes

Most large airports serve as gateways to their communities and as connecting points. The number of origin and destination passengers at an airport depends on the intrinsic attractiveness of the region as a business and leisure destination, the propensity of its residents to travel, and the airline fares and service provided. The number of connecting passengers, on the other hand, depends entirely on the airline service provided. As discussed in the earlier section, "Enplaned Passengers," most passengers at the Airport are originating their journeys rather than connecting between flights.

The network airlines have developed hub-and-spoke systems that allow them to offer high-frequency service in many city-pair markets. Because most connecting passengers have a choice of airlines and intermediate airports, connecting traffic at an airport depends on the route networks and flight schedules of the airlines serving that airport and competing hub airports. Since 2003, as the U.S. airline industry has consolidated, airline service has been or is being drastically reduced at many former connecting hub airports, including those serving St. Louis (American 2003-2005), Dallas-Fort

Worth (Delta 2005), Pittsburgh (US Airways 2006-2008), Las Vegas (US Airways 2007-2010), Cincinnati (Delta 2009-2011), Memphis (Delta 2011-2013), and Cleveland (United 2014).

Airline Competition and Airfares

Airline fares have an important effect on passenger demand, particularly for relatively short trips for which the automobile and other travel modes are potential alternatives, and for price-sensitive “discretionary” travel. The price elasticity of demand for airline travel increases in weak economic conditions when the disposable income of potential airline travelers is reduced. Airfares are influenced by airline capacity and yield management; passenger demand; airline market presence; labor, fuel, and other airline operating costs; taxes, fees, and other charges assessed by governmental and airport agencies; and competitive factors. Future passenger numbers, both nationwide and at the Airport, will depend, in part, on the level of airfares.

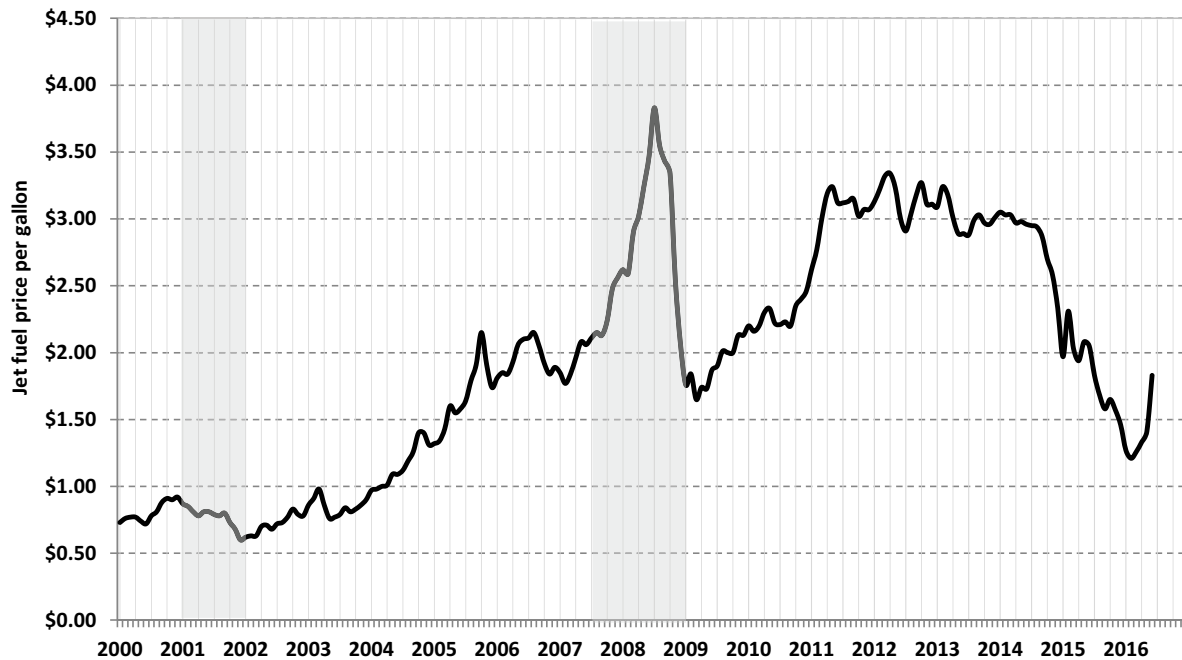
Overcapacity in the industry, the ability of consumers to compare airfares and book flights easily via the Internet, and other competitive factors combined to reduce airfares between 2000 and 2005. During that period, the average domestic yield for U.S. airlines decreased from 14.9 cents to 13.8 cents per passenger-mile. In 2006 through 2008, as airlines reduced capacity and sustained fare increases, the average domestic yield increased to 15.9 cents per passenger-mile. In 2009, yields again decreased, but, beginning in 2010, as airline travel demand increased and seat capacity was restricted, yields increased to 17.7 cents per passenger-mile by 2015. Beginning in 2006, ancillary charges have been introduced by most airlines for services such as checked baggage, preferred seating, in-flight meals, and entertainment; thereby increasing the effective price of airline travel more than these yield figures indicate.

Availability and Price of Aviation Fuel

The price of aviation fuel is a critical and uncertain factor affecting airline operating economics. Fuel prices are particularly sensitive to worldwide political instability and economic uncertainty. Figure 17 shows the historical fluctuation in fuel prices since 2000. Beginning in 2003, fuel prices increased as a result of the invasion and occupation of Iraq; political unrest in other oil-producing countries; the growing economies of China, India, and other developing countries; and other factors influencing the demand for and supply of oil. By mid-2008, average fuel prices were three times higher than they were in mid-2004 and represented the largest airline operating expense, accounting for between 30% and 40% of expenses for most airlines. Fuel prices fell sharply in the second half of 2008 as demand declined worldwide, but increased as global demand increased.

Between early 2011 and mid-2014, fuel prices were relatively stable, partly as a result of increased supply from U.S. domestic production. As of mid-2014, average aviation fuel prices were approximately three times the prices prevailing at the end of 2003. Beginning in mid-2014, an imbalance between worldwide supply and demand resulted in a precipitous decline in the price of oil and aviation fuel. Decreased demand from China and other developing countries, combined with a continued surplus in the worldwide supply (and the potential for further surpluses from Iran as trade sanctions are lifted) resulted in further reductions in fuel prices in 2015. As shown on Figure 17, the average price of aviation fuel at the end of 2015 was approximately 50% of the price at mid-2014, before rising again modestly in the early months of 2016. The reduction in fuel prices is having a positive effect on airline profitability as well as far-reaching implications for the global economy.

Figure 17
HISTORICAL AVIATION FUEL PRICES



Airline industry analysts hold differing views on how oil and aviation fuel prices may change in the near term, although, absent unforeseen disruptions, prices are expected to remain relatively low for some time. However, there is widespread agreement that fuel prices are likely to increase over the long term as global energy demand increases in the face of finite oil supplies that are becoming more expensive to extract.

Aviation fuel prices will continue to affect airfares, passenger numbers, airline profitability, and the ability of airlines to provide service. Airline operating economics will also be affected as regulatory costs are imposed on the airline industry as part of efforts to reduce aircraft emissions contributing to global climate change.

Aviation Safety and Security Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions influence passenger travel behavior and airline travel demand. Anxieties about the safety of flying and the inconveniences and delays associated with security screening procedures lead to both the avoidance of travel and the switching from air to surface modes of transportation for short trips.

Safety concerns in the aftermath of the September 2001 attacks were largely responsible for the steep decline in airline travel nationwide in 2002. Since 2001, government agencies, airlines, and airport operators have upgraded security measures to guard against changing threats and maintain confidence in the safety of airline travel. These measures include strengthened aircraft cockpit doors, changed flight crew procedures, increased presence of armed sky marshals, federalization of airport security functions under the Transportation Security Administration (TSA), more effective dissemination of information about threats, more intensive screening of passengers and baggage, and

deployment of new screening technologies. The TSA has introduced “pre-check” service to expedite the screening of passengers who have submitted to background checks. Concerns about the safety of air travel have recently been heightened by a suicide attack at Brussels Airport in March 2016, the crash of an EgyptAir flight into the Mediterranean Sea in May 2016, and a gun and bomb attack at Istanbul Ataturk Airport in June 2016.

Historically, airline travel demand has recovered after temporary decreases stemming from terrorist attacks or threats, hijackings, aircraft crashes, and other safety concerns. Provided that precautions by government agencies, airlines, and airport operators serve to maintain confidence in the safety of commercial aviation without imposing unacceptable inconveniences for airline travelers, it can be expected that future demand for airline travel at the Airport will depend primarily on economic, not safety or security, factors.

Capacity of the National Air Traffic Control System

Demands on the national air traffic control system have, in the past, caused delays and operational restrictions affecting airline schedules and passenger traffic. The FAA is gradually implementing its Next Generation Air Transport System (NextGen) air traffic management programs to modernize and automate the guidance and communications equipment of the air traffic control system and enhance the use of airspace and runways through improved air navigation aids and procedures. Since 2007, airline traffic delays have decreased as a result of reduced numbers of aircraft operations, but, as airline travel increases in the future, flight delays and restrictions may be expected.

Capacity of the Airport

In addition to any future constraints that may be imposed by the capacity of the national air traffic control system, future growth in airline traffic at the Airport will depend on the capacity at the Airport itself. The forecast is conditioned on the assumption that, during the forecast period, neither available airfield or terminal capacity, nor demand management initiatives, will constrain traffic growth at the Airport. In particular, it is expected that the STC would open in FY 2020 before the 45 MAP capacity of the NTC is reached.

ENPLANED PASSENGER FORECAST

Forecasts of enplaned passengers and landed weight at the Airport were developed taking into account analyses of the economic basis for airline traffic, analyses of historical airline traffic, and an assessment of the key factors that may affect future airline traffic, as discussed in earlier sections. In general, it was assumed that, in the long term, changes in airline traffic at the Airport will occur largely as a function of the role of the Orlando MSA as a major destination market, growth in the population and economy of the Orlando MSA, and changes in airline service. It was also assumed that continued development of airline service at the Airport will not be constrained by the availability of aviation fuel, long-term limitations in airline aircraft fleet capacity, limitations in the capacity of the air traffic control system or the Airport, or government policies or actions that restrict growth. Also considered were recent and potential developments in the national economy and in the air transportation industry as they have affected or may affect airline traffic at the Airport.

Underlying Assumptions

From FY 2016 through FY 2023, passenger numbers at the Airport are forecast to increase gradually on the basis of the following assumptions:

- The economy of the Orlando MSA will increase at a rate comparable to or greater than that of the State and nation as a whole.
- The U.S. economy will experience sustained GDP growth averaging approximately 2.0% per year.
- Orlando will continue to be a major destination market for U.S. leisure and business travelers and a top global destination market for tourism, meetings, and conventions.
- Hotel infrastructure development will be sufficient to accommodate the growth in visitors to the Orlando MSA, including the addition of 11,000 new hotel rooms by 2018.
- Port Canaveral's cruise business will increase by 50% in the next 4 to 5 years and support overall economic growth in the Orlando MSA.
- The Orlando MSA's economy will continue to be more diversified, including the development of business services, advanced technologies, film and digital media, life sciences and healthcare, and aviation, aerospace, and defense.
- The Airport will continue to be primarily an origin-destination airport and the small percentage of passengers connecting at the Airport will not change materially.
- The airlines serving the Airport will continue to be diverse, including low cost carriers, network airlines, and foreign-flag carriers, and provide sufficient capacity to support passenger traffic growth at the Airport.
- A generally stable and secure international political environment and safety and security precautions will ensure airline traveler confidence in aviation without imposing unreasonable inconveniences.

- There will be no major prolonged disruption of airline service or changes to airline travel patterns as a result of international hostilities, terrorist acts or threats, or other security or public health concerns such as the Zika virus.
- Competition among the airlines serving the Airport will ensure the continued availability of competitive airfares.
- Downward pressure on aviation fuel prices will continue in 2016 and 2017, with fuel prices through 2023 remaining considerably lower than the record prices reached in mid-2008. In its July 2016 *Short-Term Energy Outlook*, the U.S. Energy Information Administration projected crude oil prices, in terms of West Texas Intermediate oil, to average \$44 and \$52 per barrel, respectively, in 2016 and 2017, down from \$93 per barrel in 2014.
- The exit of the United Kingdom from the European Union will not have a material impact on the level of passenger activity at the Airport. In July 2016, there was an average of 9 daily nonstop flights from MCO to the United Kingdom, representing 2.2% of total flights.
- While the economic recession in Brazil has already had a modest negative impact on activity at the Airport, it is not expected to have a further material impact on the level of passenger activity at the Airport. In July 2016, there was an average of 3 daily nonstop flights from MCO to Brazil, representing 0.7% of total flights.

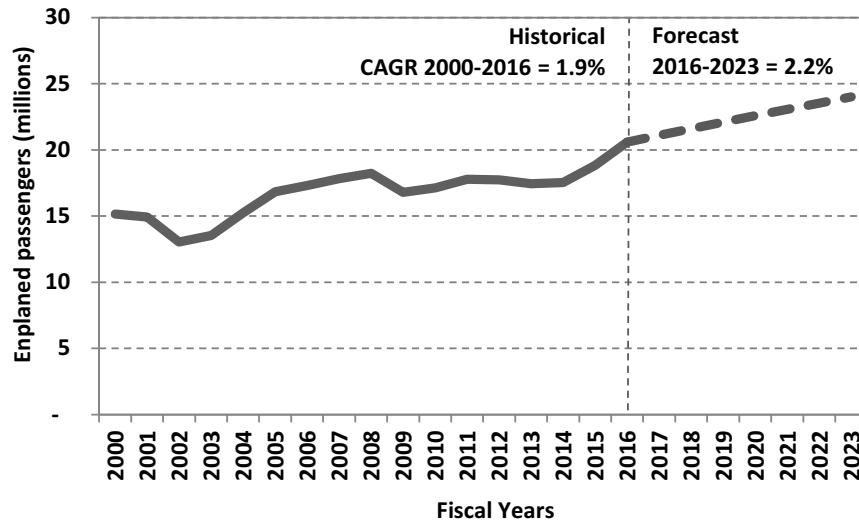
Enplaned Passengers

In FY 2016, enplaned passengers are estimated to total 20.6 million, a 9.4% increase from the FY 2015 number, reflecting a 10.7% increase in actual passenger traffic during the first 8 months of FY 2016 (October 2015 through May 2016), published airline service during the last 4 months of FY 2016, and new airline service starting in FY 2016 reported by GOAA management.*

From FY 2016 through FY 2023, the number of passengers enplaned at the Airport are forecast to increase an average of 2.2% per year, reaching approximately 24.0 million in FY 2023, as shown on Figure 18. In its most recent *Terminal Area Forecast* for the Airport (published February 2016), the FAA forecasts an average annual increase of 2.6% in the number of enplaned passengers over the same period.

*Orlando International Airport, www.orlandoairports.net/flights/new-service.

Figure 18
HISTORICAL AND FORECAST ENPLANED PASSENGERS
 Orlando International Airport



Note: For Fiscal Years ending September 30.
 CAGR = Compound annual growth rate
 This forecast was prepared on the basis of the information and assumptions given in the text.
 The achievement of any forecast is dependent upon the occurrence of future events which cannot be assured. Therefore, the actual results may vary from the forecast and the variance could be material.

Sources: Historical—Greater Orlando Aviation Authority.
 Forecast—LeighFisher, July 2016.

Landed Weight

In FY 2016, aircraft landed weight is estimated to total 23.7 million 1,000-pound units, a 7.5% increase from the FY 2015 number, reflecting a 9.0% increase in actual landed weight during the first 8 months of FY 2016 (October 2015 through May 2016) and the changes in passenger airline service noted above.

From FY 2016 through FY 2023, aircraft landed weight at the Airport is forecast to increase an average of 2.0% per year to 27.3 million 1,000-pound units in FY 2023. The forecast rate of growth in landed weight (2.0% per year on average) is lower than that for enplaned passengers, reflecting an assumed gradual increase in the enplaned passenger load factors at the Airport.

Table 17
AIRLINE TRAFFIC FORECASTS
Orlando International Airport
FY 2015 – FY 2023

	Historical FY 2015	Estimated FY 2016 (a)	Forecast							CAGR FY 2015- FY 2023
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
Enplaned passengers (thousands)										
Domestic										
Low cost carriers	8,687	9,921	10,149	10,372	10,590	10,802	11,007	11,205	11,396	2.0%
Network airlines (a)	7,645	7,909	8,091	8,269	8,442	8,611	8,775	8,933	9,085	2.0%
Regional airlines	94	71	71	72	73	73	74	75	76	1.0%
Subtotal—domestic	16,426	17,900	18,311	18,713	19,105	19,486	19,856	20,213	20,556	2.0%
International	<u>2,401</u>	<u>2,695</u>	<u>2,797</u>	<u>2,894</u>	<u>2,996</u>	<u>3,101</u>	<u>3,211</u>	<u>3,326</u>	<u>3,445</u>	3.6%
Total	18,827	20,596	21,108	21,607	22,101	22,588	23,067	23,539	24,001	2.2%
Annual percent increase (decrease)	0.5%	9.4%	2.5%	2.4%	2.3%	2.2%	2.1%	2.0%	2.0%	
Landed weight (1,000-pound units)										
Passenger airlines										
Domestic										
Low cost carriers	9,474,819	10,413,705	10,626,943	10,834,013	11,034,376	11,227,506	11,412,884	11,590,007	11,758,387	1.8%
Network airlines (a)	8,612,497	8,803,687	8,980,061	9,177,622	9,370,352	9,557,759	9,739,357	9,914,665	10,083,215	2.0%
Regional airlines	<u>153,124</u>	<u>108,754</u>	<u>109,655</u>	<u>110,564</u>	<u>111,481</u>	<u>112,406</u>	<u>113,339</u>	<u>114,280</u>	<u>115,229</u>	0.8%
Subtotal—domestic	18,240,440	19,326,147	19,716,660	20,122,199	20,516,210	20,897,671	21,265,580	21,618,952	21,956,830	1.8%
International	<u>3,006,507</u>	<u>3,357,840</u>	<u>3,481,354</u>	<u>3,593,806</u>	<u>3,710,628</u>	<u>3,832,018</u>	<u>3,958,185</u>	<u>4,089,346</u>	<u>4,225,734</u>	3.3%
Total—passenger airlines	21,246,947	22,683,988	23,198,014	23,716,005	24,226,838	24,729,689	25,223,764	25,708,298	26,182,564	2.1%
All-cargo airlines	<u>837,631</u>	<u>1,052,741</u>	<u>1,063,268</u>	<u>1,073,901</u>	<u>1,084,640</u>	<u>1,095,486</u>	<u>1,106,441</u>	<u>1,117,506</u>	<u>1,128,681</u>	1.0%
Total	22,084,578	23,736,728	24,261,282	24,789,906	25,311,478	25,825,176	26,330,205	26,825,804	27,311,245	2.0%
Annual percent increase (decrease)	(0.4%)	7.5%	2.2%	2.2%	2.1%	2.0%	2.0%	1.9%	1.8%	

Note: For Fiscal Years ending September 30. Totals may not add due to rounding.

CAGR = Compound annual growth rate

The forecasts presented in this table were prepared using the information and assumptions given in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the forecast and actual results, and those differences may be material.

(a) Estimated based on eight months of actual data (October 2015 through May 2016).

(b) Includes charter airlines.

Sources: Historical: Greater Orlando Aviation Authority records.

Forecast: LeighFisher, July 2016.

FINANCIAL ANALYSIS

FRAMEWORK FOR FINANCIAL OPERATIONS

Under the Greater Orlando Aviation Act, the Authority is charged with operating the Airport as a financially self-sustaining enterprise and is authorized, with the approval of the City of Orlando (the City), to issue revenue bonds, payable solely from Airport System revenues, to pay the costs of acquiring or constructing improvements to the Airport System. The Authority is also authorized to establish and collect rentals, fees, and charges for services and facilities provided by the Airport System and to pledge such revenues to the payment of debt service on revenue bonds.

The Airport is owned by the City and operated by the Authority under an agreement that was recently extended to September 30, 2065.

The Airport is defined as the Airport System under the Senior Bond Resolution and Subordinated Indenture. The Authority also operates the Orlando Executive Airport as a general aviation airport. The Orlando Executive Airport does not constitute a part of the Airport System and revenues derived from the operation of the Orlando Executive Airport are not pledged to payment of the Bonds.

Airport Facilities Bond Resolution

The Authority issues Airport Facilities Revenue Bonds (Bonds) pursuant to the Airport Facilities Revenue Bond Resolution under which The Bank of New York Mellon Trust Company, N.A., serves as Trustee, as amended and restated on June 24, 2015, as amended and supplemented from time to time (collectively the Senior Bond Resolution).

Airport Facilities Revenue Bonds are secured by a pledge of and first lien on Revenues of the Airport System. As of October 2, 2016, the principal outstanding on Bonds will be \$872,795,000 (after the October 1, 2016 principal payment and excluding the 2016A/B Bonds).

In September 2015, the Authority and the City approved certain amendments to the Senior Bond Resolution (Consent Amendments), which are subject to required bondholder and other consent. The Consent Amendments include, among other things, substantive changes to certain definitions, the additional bonds test, the flow of funds, and the rate covenant, and the addition of a Released Revenues concept, along with numerous other changes. Some of the more significant changes are summarized as follows:

1. The revised Additional Bonds test will eliminate the need to satisfy both an historic and a prospective coverage test and, instead, will allow the Authority to satisfy either historical coverage test (as certified by an Authorized Officer of the Authority or an Airport Consultant) or a prospective coverage test (as certified by an Airport Consultant) for the next three Fiscal Years. Under both the new historical and prospective test, the requirement will be that Net Revenues and Subordinated Pledged Revenues are sufficient to satisfy the rate covenant requirements. The revised Additional Bonds test allows the Authority or the Airport Consultant, as applicable to (i) make certain adjustments to Net Revenues for increases in rates, fees and revenues from new facilities and capital improvements, and (ii) use unaudited financial statements if audited financial statements are not available.
2. The revised rate covenant will add "Transfers" and "Subordinated Pledged Revenues" to Net Revenues in computing the debt service coverage requirement along with an additional coverage requirement of 100% of the amounts required to be deposited pursuant to Section

405(2)-(10) of the Amended and Restated Bond Resolution, which essentially covers all debt and debt reserve payments for all liens, plus deposits to the Operation and Maintenance Reserve Account, Renewal and Replacement Fund, and Capital Expenditures Fund. The new definition of "Transfers" will allow the Authority to consider amounts on deposit in the Discretionary Fund limited to no more than 25% of the Debt Service payable in a particular Fiscal Year as essentially rolling coverage to meet the 125% coverage requirement calculation.

3. A new definition of "Pledged Revenues" will be added and will include the term "Available Revenues" so that the Authority may designate certain funds to secure only the Series of Bonds to which they are pledged by Supplemental Resolution. A definition for "Available Revenues" will be added so that certain items not currently considered "Revenues" may be designated by the Authority by Supplemental Resolution in the future and used to pay principal and interest on Bonds, with the Debt Service paid from such Available Revenues being disregarded from the coverage calculation.
4. A definition for "Released Revenues" will be added so that certain categories of income, receipts and other revenues of the Airport System may be designated as such by Supplemental Resolution and excluded from the definition of "Revenues" (and therefore "Pledged Revenues") upon meeting certain conditions and rate covenant ratios.
5. The definition of "Debt Service" will be revised to add rules for purposes of determining the amount of Debt Service in any Fiscal Year in connection with (i) certain amounts irrevocably deposited with and held by the Trustee or another fiduciary exclusively to pay principal of and/or interest on Bonds, (ii) the treatment of Available Revenues (including Available PFC Revenues) irrevocably committed or other amounts actually deposited with the Trustee for the purpose of paying Debt Service on Bonds, and (iii) the payment or expected payment of Debt Service on Bonds from cash subsidies or other similar payments made or expected to be made by the U.S. Treasury or other federal or state government entity to or on behalf of the Authority.
6. The definition of "Debt Service Reserve Requirement" will be revised to remove a requirement that the amount established for any Composite Reserve Subaccount or series Reserve Account will not cause any existing rating on any Bonds to be lowered, suspended or withdrawn.
7. A definition of Secondary Subordinated Indebtedness will be added so that a new "third" tier lien is created which is lower in priority of payment than Bonds and Priority Subordinated Indebtedness but higher in priority of payment than deposits to the Capital Expenditures Fund, the Renewal and Replacement Fund, and the Discretionary Fund. The payment of principal and interest on Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (7) (after funding of the Operation and Maintenance Reserve Account). The deposit to any debt service reserve account established for Secondary Subordinated Indebtedness will be inserted into the monthly payment priority from the Revenue Fund as priority (8).
8. New definitions for "Special Purpose Facilities," "Special Purpose Facility Debt" and "Special Purpose Facility Revenues" will be added to allow the authority to pledge specific revenues for projects with owners or operators of certain special facilities and designate by Supplemental Resolution whether or not such facilities constitute part of the Airport System and whether or not the revenues from such project will be included in "Revenues."

At this time, the Authority anticipates receiving the requisite consent of the holders to the Consent Amendments (the Consent Effective Date) no later than FY 2018. Accordingly, for purposes of the financial forecasts, it was assumed that FY 2018 would be the first year the Consent Amendments would be in effect. However, it is not possible to predict the actual timing for receipt of the requisite consent of bondholders, which could occur earlier than or subsequent to the currently anticipated timing. The date the Consent Amendments are approved by the requisite percentage of bondholders would affect certain of the assumptions used to forecast debt service coverage under the rate covenant.

Currently, Revenues are generally defined as all income and revenues received by the Authority from the operation of the Airport, PFC revenues only to the extent they constitute Available PFC Revenues for the applicable period, and income from Special Purpose Facilities which are not pledged to the payment of obligations issued to finance such Special Purpose Facilities. Revenues do not include, among other things, grants-in-aid for capital projects or CFCs to the extent pledged to repay obligations issued to build rental car facilities.* Upon the Consent Effective Date, Available Revenues (including Available PFC Revenues) that have been irrevocably committed pursuant to a Supplemental Resolution for the purpose of paying principal or interest on Bonds may be disregarded and not included in the definition of Revenues. Accordingly, debt service payable from such Available Revenues may be disregarded and not included in calculating Debt Service. In addition, upon the Consent Effective Date, CFCs would be excluded from Revenues except to the extent that the Authority specifies them in a Supplemental Resolution as Available CFC Revenues.

Prior to the Consent Effective Date, Available PFC Revenues are the portion of PFC Revenues received by the Authority for PFC-eligible project costs financed with Bonds equal to 1.25 times the Debt Service accruing during an applicable period for Bonds issued to finance PFC projects. PFC revenues that are not Available PFC Revenues do not constitute Revenues and are not subject to the pledge and lien established by the Senior Bond Resolution. Available PFC Revenues are deposited into the Revenue Fund each year and the 25% attributable to rolling coverage flows into the PFC Account in the Discretionary Fund at the end of each Fiscal Year, and then flows back to the PFC Fund. Upon the occurrence of the Consent Effective Date, Available PFC Revenues will no longer be included in Revenues, but instead debt service on Bonds allocated to funding PFC eligible projects will be deducted from Debt Service.

Operation and Maintenance Expenses (or O&M Expenses) consist of the Authority's expenses for operation, maintenance, repairs, ordinary replacement, and ordinary reconstruction of the Airport System but do not include any capital cost or any allowance for depreciation or any operation or maintenance costs for non-Authority-owned Special Purpose Facilities.

Rate Covenant. In Section 711 of the Senior Bond Resolution (the Rate Covenant) the Authority covenants that it will:

...at all times while any Bonds shall be Outstanding, establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that in each Fiscal Year the Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve

*CFCs are paid by rental car customers. Currently, all CFCs are pledged to repay the Special Purpose Facilities Taxable Revenue Bonds (Rental Car Facility Project) Series 2009, which were issued to build rental car facilities, through FY 2016. The Series 2009 Bonds mature in FY 2017 and the FY 2017 debt service is payable from the debt service reserve. The Authority intends to apply CFCs to pay project costs related to the proposed south parking garage in the South APM Complex at the Airport, which is part of the 2016 Project.

Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each Series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the sum of the Aggregate Debt Service of the Outstanding Bonds for such Fiscal Year, and in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues or Available Revenues under the Trust Agreements and the Resolution.

Under the Senior Bond Resolution, at the end of each Fiscal Year, after all deposits that are required to be made into each of the Operation and Maintenance Fund, Bond Fund, O&M Reserve Account, Capital Expenditures Fund, and Renewal & Replacement Fund, the remaining Revenues are deposited into the Discretionary Fund. As noted above, the excess Available PFC Revenues to demonstrate 25% coverage on PFC-eligible debt service are deposited into the PFC Account.

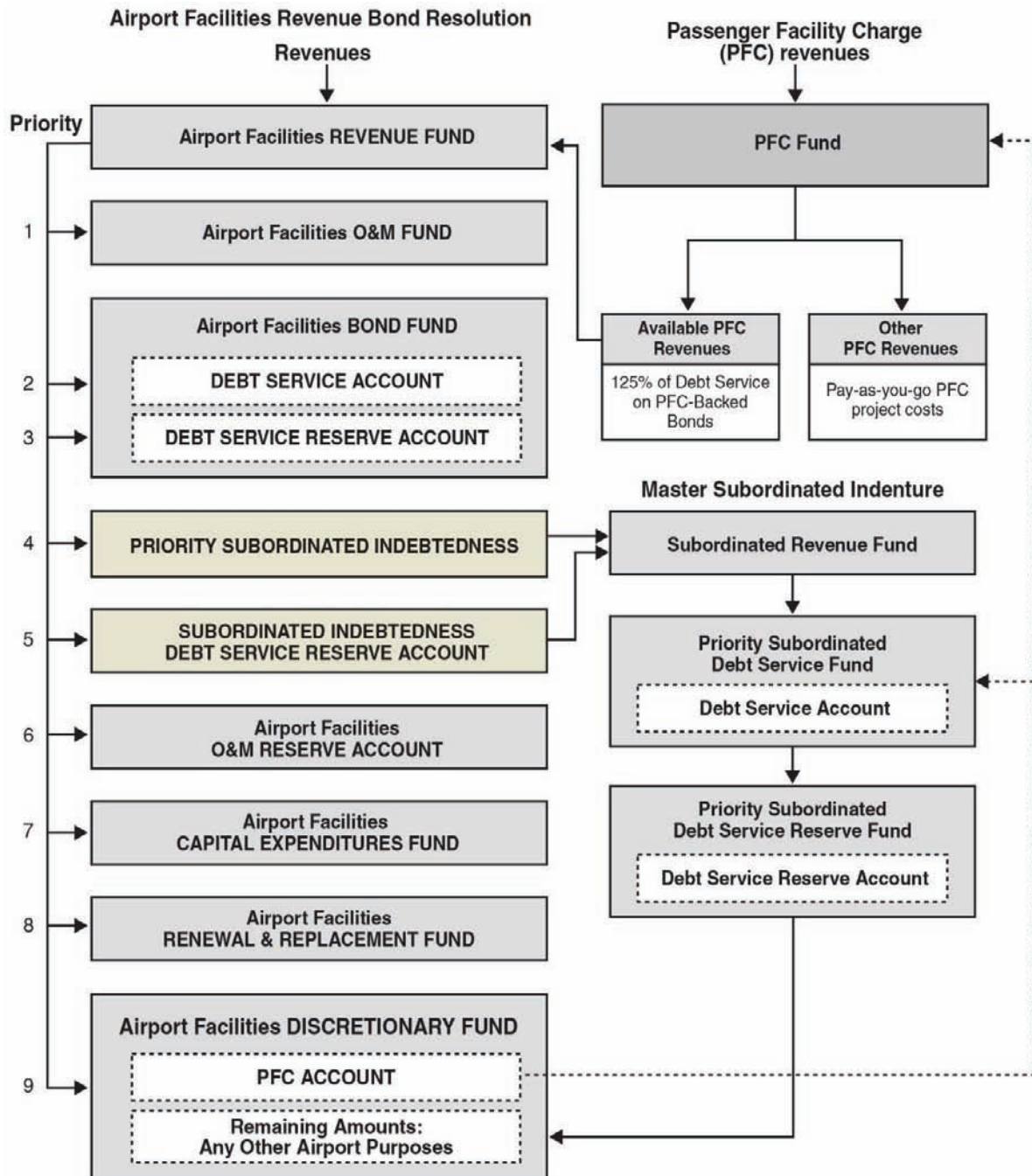
Upon the Consent Effective Date, debt service on Bonds to which Available Revenues have been irrevocably committed pursuant to a Supplemental Resolution for the purpose of paying principal or interest on such Bonds can be disregarded in calculating Debt Service. In addition, Subordinated Pledged Revenues and Transfers and can be added to Net Revenues in computing the debt service coverage requirement along with an addition of an additional coverage requirement of 100% of the amounts required to be deposited pursuant to Sections 405 (2)-(10) of the Senior Bond Resolution, which essentially covers all debt and debt reserve payments for all liens, plus deposits to the Operation and Maintenance Reserve Account, Renewal and Replacement Fund, and Capital Expenditure Fund.

At this time, the Authority has no plans to budget amounts for the Capital Expenditure Fund or Renewal and Replacement Fund.

Additional Bonds Test. Under Section 204 of the Senior Bond Resolution, certain conditions must be met before Additional Bonds may be issued to pay the Cost of Construction of any Additional Project. These conditions require, among other things, that estimates of Net Revenues less amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund, and the Renewal and Replacement Fund, shall equal at least 1.25 times Aggregate Debt Service on (1) Outstanding Bonds, (2) the Additional Bonds, and (3) any future bonds that may be required to finance the cost of the Additional Project or any uncompleted Project. The estimates of Net Revenues must satisfy these obligations for each of the three Fiscal Years following the Fiscal Year in which the Consulting Engineer estimates that the Additional Project will be substantially completed and placed in service. This provision of the Senior Bond Resolution is referred to as the Additional Bonds test.

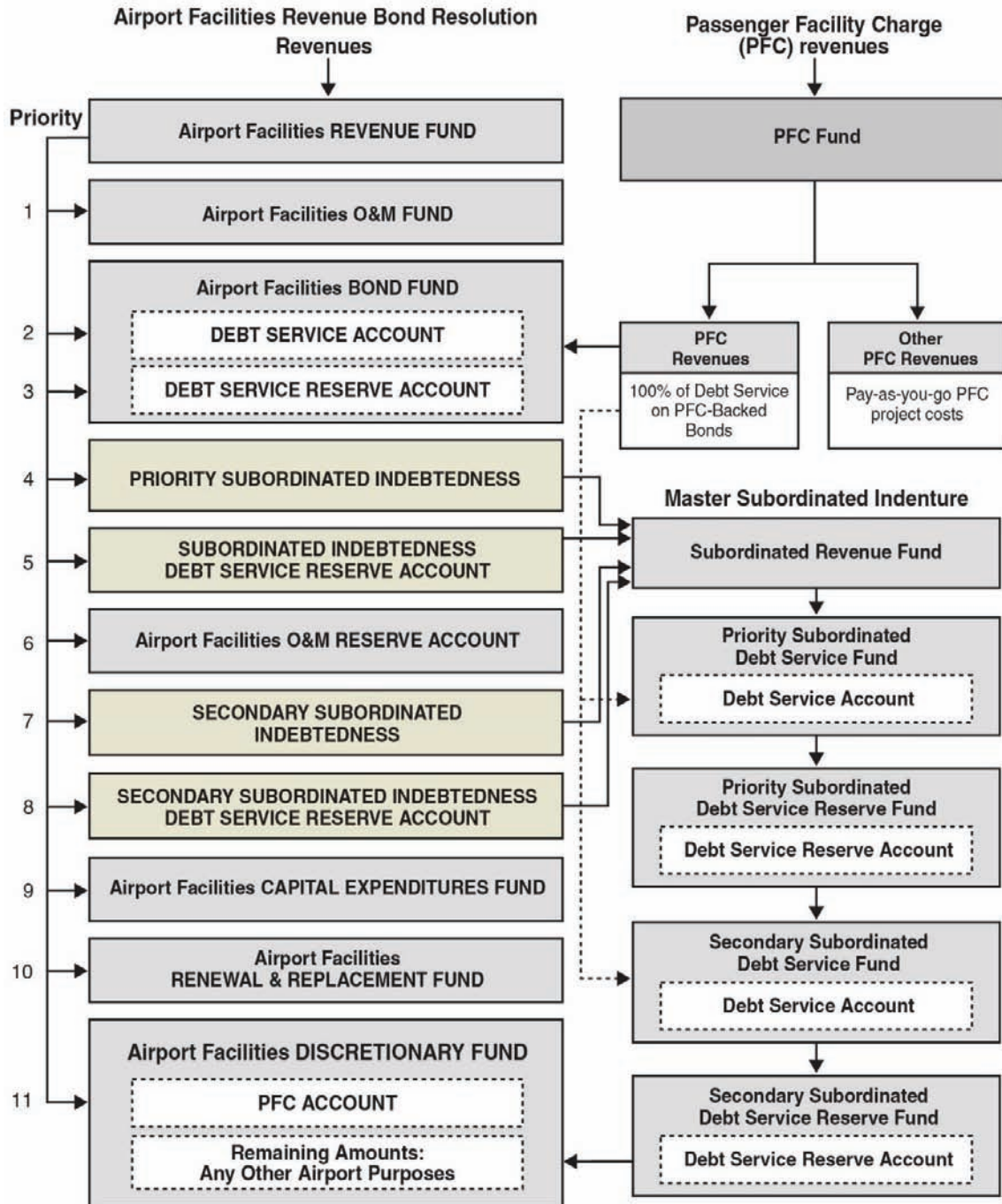
Flow of Funds. In Section 405 of the Senior Bond Resolution the Authority covenants that all Revenues will be deposited into the Revenue Fund and, from the Revenue Fund, deposited into the various funds and accounts and in order of priority as illustrated in Figure 19 and as described in the later section "Application of Revenues"). Figure 20 illustrates the flow of funds after the Consent Amendments of the Senior Bond Resolution becomes effective, which is expected in FY 2018.

Figure 19
**FLOW OF FUNDS UNDER THE SENIOR BOND RESOLUTION AND
SUBORDINATED INDENTURE**
Orlando International Airport



Source: Airport Facilities Bond Resolution approved June 24, 2015.
Prepared by LeighFisher.

Figure 20
**FLOW OF FUNDS UNDER THE SENIOR BOND RESOLUTION AND
SUBORDINATED INDENTURE AFTER THE CONSENT EFFECTIVE DATE**
Orlando International Airport



Sources: Airport Facilities Bond Resolution adopted June 24, 2015 and Restated Subordinated Indenture of Trust adopted July 1, 2016. Prepared by LeighFisher.

Master Subordinated Indenture of Trust

Under the Senior Bond Resolution, the Authority has the right to issue Subordinated Indebtedness that is subordinate to the Bonds issued under the Senior Bond Resolution as to the pledge of, lien on, and payment from Revenues. The Authority issues Subordinated Indebtedness pursuant to the Amended and Restated Master Subordinated Indenture of Trust dated as of July 1, 2016 (the Subordinated Indenture) under which U.S. Bank National Association, serves as Trustee. The Subordinated Indenture provides for the issuance of both Priority Subordinated Indebtedness and, after the Consent Effective Date, Secondary Subordinated Indebtedness, as contemplated by the Senior Bond Resolution. In addition, the Subordinated Indenture authorizes the Authority to enter into and have outstanding Other Parity Indebtedness, consisting of Line of Credit Indebtedness in an aggregate principal amount not to exceed \$550 million and FDOT Indebtedness in an aggregate principal amount not to exceed \$55 million. All Other Parity Indebtedness constitutes Priority Subordinate Indebtedness until the Consent Effective Date. Upon the Consent Effective Date, all amounts outstanding under the Existing Lines of Credit will automatically become Secondary Subordinated Indebtedness. The Authority's repayment obligations under the FDOT Indebtedness will remain Priority Subordinated Indebtedness after the Consent Effective Date.

Currently, the outstanding Subordinated Indebtedness consists of the 2016 Subordinated Bonds and draws on bank Lines of Credit and the FDOT Indebtedness. The Authority's 1997B Gulf Breeze Loan was retired in September 2015 using draws on a bank Line of Credit. The Series 1998C Gulf Breeze Bonds matured December 1, 2015. The 2016 Subordinated Bonds were the first Priority Subordinated Indebtedness issued under the Subordinated Indenture of which \$62,765,000 will be outstanding as of October 2, 2016.

The Authority has entered into Line of Credit agreements with three banks: Bank of America, N.A., PNC Bank, National Association, and Wells Fargo Bank, National Association. The PNC line of credit expires on November 6, 2016. The Authority is in the process of soliciting proposals for a replacement facility to take effect no later than the expiration date of the PNC line of credit. Bank of America and Wells Fargo Bank have agreed that on the Consent Effective Date, the reimbursement obligations under their respective lines of credit agreement will automatically be converted to Secondary Subordinated Indebtedness under the Subordinated Indenture.

The FDOT Indebtedness currently includes a Joint Participation Agreement (JPA) the Authority entered into with FDOT under which FDOT will provide approximately \$211 million of funds for construction of the ITF, of which approximately \$52.7 million will be repaid by the Authority as Priority Subordinated Indebtedness, without interest, over an 18 year term commencing January 1, 2020, and the balance will be a grant.

Certain terms in the Subordinated Indenture are identical to those in the Senior Bond Resolution, including the definitions of Revenues, Operation and Maintenance Expenses, Net Revenues, and Aggregate Debt Service.

Under the Subordinated Indenture, Available Net Revenues are defined as all Revenues after deposits to the Operation and Maintenance Fund, the Debt Service Account, and the Debt Service Reserve Account (to the extent the Debt Service Reserve Requirement is not met). Aggregate Annual Subordinated Debt Service is defined as the aggregate amount of Annual Debt Service on all Outstanding Subordinated Obligations and Unissued Subordinated Program Obligations. Unissued Subordinated Program Obligations are short term indebtedness designated as such by the Authority and all such authorized obligations are treated as outstanding for purposes of calculating Aggregate Annual Subordinated Debt Service (whether or not then issued). Short Term Subordinated

Obligations are Subordinated Obligations issued as Commercial Paper, Line of Credit Indebtedness, or Notes for interim financing. For Short Term Subordinated Obligations other than Unissued Subordinated Program Obligations, the principal and interest is calculated based on projections of a Consultant for the actual amount disbursed assuming that interest is capitalized for a specified period and that at the end of the capitalized interest period, the Short Term Subordinated Obligations are refunded with the proceeds of Subordinated Bonds bearing interest at a rate determined by the Consultant on the date of the projection to be a reasonable market rate for fixed-rate Subordinated Bonds of a corresponding term.

In Section 10.01 of the Subordinated Indenture (the subordinate rate covenant), the Authority covenants that it will fix, prescribe, and collect fees and other charges for the use of the Airport so as to produce Available Net Revenues plus prior to the Consent Effective Date, PFC Revenues, or on and after the Consent Effective Date, Available Revenues (and any Transfers) in an amount at least equal to:

- 1.10 times the Aggregate Annual Subordinated Debt Service on all Outstanding Priority Subordinated Indebtedness and
- 100% of the aggregate amount required to be applied and/or deposited during the Fiscal Year to (1) pay Priority Subordinated Debt Service, (2) make any deposits to the Priority Subordinated Debt Service Reserve Fund to equal the Reserve Requirement, (3) pay all principal, premium, and interest on all Secondary Subordinated Indebtedness, and (4) make any deposits to the Secondary Subordinated Debt Service Reserve Fund to equal the Reserve Requirement

The rate covenant for Secondary Subordinated Indebtedness is to pay 100% of all Subordinated Indebtedness from Available Net Revenues.

Under Section 4.10 of the Subordinated Indenture, certain conditions must be met before Priority Subordinated Indebtedness may be issued for the purpose of financing, acquiring, constructing, improving, or completing Additional Projects, or for the purpose of refunding or paying any outstanding obligation of the Authority. The Authority can issue additional Priority Subordinated Indebtedness if either a historical or prospective test is met:

- Historical -- Available Net Revenues for 12 consecutive months out of the preceding 24 months from the date of issuance were at least equal to 110% of Aggregate Annual Subordinated Debt Service due in such 12-month period for all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations, and the proposed Series of Priority Subordinated Indebtedness (assuming they were then Outstanding).
- Prospective -- Available Net Revenues are estimated to be at least equal to 110% of Aggregate Annual Subordinated Debt Service on all Outstanding Priority Subordinated Indebtedness, Unissued Priority Subordinated Program Obligations, and the proposed Series of Priority Subordinated Indebtedness through the later of: (a) the third full Fiscal Year following the issuance of the proposed Priority Subordinated Indebtedness, or (b) the second full Fiscal Year during which no interest on the proposed Priority Subordinated Indebtedness is expected to be paid from the proceeds.

Bank Lines of Credit

The Authority currently has three Lines of Credit, which constitute Other Parity Indebtedness under the Subordinated Indenture (the payment of which is currently on parity with Priority Subordinated Indebtedness). The Authority uses the Lines of Credit for interim financing of capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds, and other permanent funding sources. The table below summarizes the authorized amounts, expiration dates, and outstanding principal amounts for each Line of Credit. The Authority expects to replace the PNC Line of Credit prior to its expiration. Following the Consent Effective Date, the Lines of Credit will automatically become Secondary Subordinated Indebtedness. The Authority intends to continue using the Lines of Credit for interim financing of capital improvements for certain of the 2016 – 2023 Planned Capital Projects.

The Authority anticipates having the following amounts outstanding on the Lines of Credit as of September 1, 2016:

Line of Credit Provider	Authorized Amount	Expiration Date	Principal Outstanding
Bank of America, N.A.	\$200,000,000	April 1, 2017	\$19,000,000
Wells Fargo N.A.	250,000,000	June 29, 2018	88,000,000
PNC Bank, N.A	100,000,000	November 6, 2016	53,000,000
Total	\$550,000,000		\$160,000,000

The Authority anticipates repaying all or a portion of the amounts outstanding on the Bank of America and Wells Fargo Lines of Credit with the 2016A/B Bonds.

Special Purpose Facilities Taxable Revenue Bonds

The Authority also has the ability under the Senior Bond Resolution to issue Special Purpose Facility Bonds that can be used for “any capital improvements or facilities acquired or constructed by the Authority from funds other than Revenues or obligations payable from Revenues” and are located within the Airport System.

In October 2009, the Authority issued \$62.8 million of Special Purpose Facilities Taxable Revenue Bonds (the CFC Bonds) to fund a portion of the costs of an expansion and reconfiguration of the rental car facilities at the Airport (the CFC Project). The CFC Bonds were issued under a Trust Indenture between The Bank of New York Mellon Trust Company, N.A., as trustee and the Authority (the CFC Indenture) and are limited obligations of the Authority, payable solely from and secured by a pledge of the CFCs and other funds pledged under the CFC Indenture. The principal amount of such bonds outstanding as of October 2, 2016 will be \$9.0 million.

A rental car CFC was authorized by a resolution of the Authority adopted on August 20, 2008, as amended and restated on August 19, 2009, to be derived from the operation of rental car activities on the Airport. The CFC is currently set at \$2.50 per rental car transaction day, not to exceed five transaction days. CFCs may be used to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining, the rental automobile related facilities, and facilities to be modified, improved, or relocated to accommodate rental automobile related facilities. The Authority has pledged the CFC receipts to pay the costs and expenses of financing, designing, constructing, operating, relocating and maintaining certain rental car facilities at the Airport.

While the CFC Bonds are outstanding (through October 1, 2017), CFCs are not included in the definition of Revenues under the Senior Bond Resolution and are not available to pay principal of and

interest on Bonds. When the CFC Bonds have been retired and any other indebtedness or other amounts payable from CFCs have been paid, CFCs will then be included in Revenues and will be available to the Authority for any lawful purpose. However, upon the Consent Effective Date (anticipated in FY 2018), CFCs will be excluded from Revenues except to the extent that the Authority designates all or a portion thereof in a Supplemental Resolution as Available CFC Revenues.

Passenger Facility Charge Program

PFCs are fees imposed on enplaned passengers by airport sponsors to generate revenues for eligible airport projects that increase capacity, enhance competition among and between air carriers, enhance safety or security, or mitigate noise impacts. PFCs were authorized by Title 49 U.S.C. §40117. Airport sponsors are authorized to collect PFCs in the amount up to \$4.50 per enplaning passenger.

As shown on Table 18, the Authority has received approval from the FAA to collect and use PFCs for a total of \$2.79 billion in collection authority. Through June 30, 2016, total PFC Revenues received by the Authority, including investment earnings, totaled \$1.2 billion, of which \$934 million had been expended on approved project costs.

The Authority is currently authorized to impose a PFC of \$4.50 per enplaned passenger at the Airport until it reaches total collections of \$1.64 billion (estimated to occur in FY 2022) when the authorized PFC level would decline to \$3.00 per enplaned passenger for PFC applications 11, 13, and 14 (for approximately three years). The PFC collection level would then increase back to \$4.50 for PFC applications 15 and 16, and decline again to \$3.00 for PFC application 17. However, the Authority expects to amend and/or blend its existing PFC applications and is in the process of submitting a new application (PFC application 18) to fund portions of the STC and other projects at the \$4.50 per enplaned passenger level. Therefore, the Authority expects to be able to maintain a collection level of \$4.50 per enplaned passenger throughout the forecast period, which was the assumption used for purposes of this report. If the Authority does not amend and/or blend its current PFC applications the PFC level will decline to \$3.00 per enplaned passenger when total PFC revenues reach \$1.64 billion (estimated to occur in FY 2022).

Table 18
APPROVED PASSENGER FACILITY CHARGES
Orlando International Airport
(numbers in thousands, except PFC level)

Application Number	PFC Level	Collection Authority	Collections Through 6/30/2016	Expenditures Through 6/30/2016	Cumulative Collection Authority
92-01-C-05-MCO (Closed)	\$3.00	\$ 34,100	\$ 34,100	\$ 34,100	\$ 34,100
93-02-C-01-MCO (Closed)	\$3.00	8,140	8,140	8,140	42,240
95-03-C-02-MCO (Closed)	\$3.00	18,638	18,638	18,638	60,878
96-04-C-08-MCO (Closed)	\$3.00	58,846	58,846	58,846	119,723
98-05-C-05-MCO (Closed)	\$3.00	114,472	114,472	114,472	234,195
99-06-C-03-MCO	\$3.00	115,294	115,294	75,986	349,489
00-07-C-03-MCO	\$3.00	181,272	181,272	78,579	530,760
00-08-C-01-MCO	\$4.50	253,633	253,633	33,307	784,393
02-09-C-06-MCO	\$4.50	130,797	130,797	94,689	915,190
05-10-C-10-MCO	\$4.50	749,304	281,992	295,631	1,664,494
07-11-C-01-MCO	\$3.00	49,330	-	22,273	1,713,824
09-13-C-02-MCO	\$3.00	227,788	-	33,794	1,941,612
11-14-C-01-MCO	\$3.00	28,452	-	14,804	1,970,064
13-15-C-00-MCO	\$4.50	189,995	-	12,912	2,160,059
13-16-C-00-MCO	\$4.50	232,500	-	1,988	2,392,559
14-17-C-00-MCO	\$3.00	396,492	-	35,707	2,789,050
Total Authority		\$ 2,789,050	\$ 1,197,182	\$ 933,866	\$ 2,789,050

Note: Totals may not add due to rounding.

1. Expenditures for each application may commence upon notification of the approval of the application. For reporting purposes, PFC collections are reported as applied to each application in order of the applications until the collection authority amount has been met for each application. As a result of this reporting method, there are allowable expenditures reported for applications that may not show collections directly assigned to them.
2. PFC Application 12 was proposed by the Authority to combine PFC Applications 8 through 11 with no impact on total collection authority.

Airline Rate Resolution and Rate and Revenue Sharing Agreement

On October 16, 2013, the Authority adopted a resolution (the Rate Resolution) that (1) establishes the terms and conditions for airlines operating at the Airport, (2) establishes the methodology for setting certain airline rates and charges for the Airport, and (3) authorizes the Authority's Executive Director to enter into Letters of Authorization with airlines for the use and occupancy of terminal space at the Airport. On August 10, 2016, the Authority amended the Rate Resolution.

The documents underlying the airline ratemaking regime in the Rate Resolution include:

1. Rate Resolution
2. Rate Methodology
3. Operating Permit
4. Letter of Authorization (LOA)
5. Rate and Revenue Sharing Agreement
6. Authority Policies and Procedures

Together these documents take the place of the previous Airline-Airport Lease and Use Agreement, which expired on November 1, 2013.

The Rate Resolution applies to all airlines operating at the Airport and/or making use of the Airfield or Terminal, whether or not such airline specifically agrees in writing to its terms. All airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an airline in connection with its operations shall constitute the agreement by such airline with the terms and conditions of the Rate Resolution, including in particular the Rate Methodology and the Rates and Charges determined by the Rate Methodology.

Each Airline s offered the opportunity to execute an LOA to commit to certain exclusive or preferential space and obtain the benefit of rates that are calculated on a square footage basis (i.e., fixed monthly charge for assigned space). LOAs are also available to airlines wishing to rent space other than holdrooms, ticket counters, bag make-up, and apron areas. Space (other than Exclusive Premises) not subject to an LOA may be used by the airline on a common use basis, but is charged on a per-turn fee or other activity basis.

The Rate Resolution, Rate Methodology, Operating Permits, and LOAs set forth (1) the methodology for calculating the applicable rates and charges for airline use of airfield and terminal facilities at the Airport, (2) the space, if any, assigned to each airline on an exclusive or preferential use basis for its use, (3) the timing and manner of required payments of rates and charges, and (4) other applicable operating conditions and requirements at the Airport. Prior to the start of each Fiscal Year, the Authority establishes rates to be in effect for the subsequent Fiscal Year.

Cost Centers. Under the Rate Resolution, the Authority has established Cost Centers to track revenues and expenses that are used in the calculation of airline and nonairline rates and charges. The Authority accounts for all operating revenues, and for direct operating expenses, on the basis of these Cost Centers. In addition, the Authority incurs certain indirect expenses, which are allocated to the Cost Centers based on the estimated usage by cost center. The following direct cost centers are used in the calculation of airline rates and charges:

- Airfield – those portions of the Airport providing for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, runway protection zones, safety areas, infield areas, landing and navigational aids, service roads, fencing, buffer areas, fuel farm, fuel hydrant and delivery systems, clear zones, avigation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other

appurtenances related to the aeronautical use of the Airport, including any property purchased for noise mitigation purposes.

- Terminal Apron – areas of the Airport that are designated for the parking of passenger aircraft and support vehicles, and the loading and unloading of passenger aircraft.
- Terminal – the passenger terminal building, including all landside and airside passenger terminal facilities, associated curbside entrance areas, and people mover systems, which will include the STC upon completion.
- Ground Transportation – areas on the Airport for public automobile parking, automobile rental agencies, taxi, bus and limousine parking areas, and other nonaeronautical transportation related accommodations and services for the public arriving at or leaving the Terminal, which will include the South APM Complex and ITF upon completion.
- Hotel – the hotel facility, including guest rooms, meeting rooms restaurants and lobby areas, located in the landside terminal building.
- Other Buildings and Grounds – all other facilities that are not included in the other direct cost centers at OIA, including the Tradeport area, Heintzelman area, the perishables center, air cargo buildings, airline maintenance and training facilities, and general aviation hangars, buildings, and aprons.
- Orlando Executive Airport – the general aviation reliever airport.

Within the Terminal, the revenues and expenses associated with Airline Equipment for loading bridges (pre-conditioned air, ground power/400Hz, potable water, fire bottles and related equipment) and baggage systems are separately tracked. The Authority also separately tracks O&M Expenses and O&M Reserve Requirement (Operating Expenditures) associated with the FIS facilities.

Rate Methodology

The calculation of Landing Fees is based on a cost center residual method that credits to the Airfield Cost Center non-airline Revenues derived from Airfield use. The calculation of the Terminal Premises Rate is based upon a commercial compensatory method that allocates to the Airlines the cost of the space they use plus their proportionate share of the costs of non-rentable Terminal space. The Authority's compensatory rate methodology is designed to recover from the air carriers using the Airport their fairly allocated share of Airport costs in accordance with U.S. Department of Transportation (USDOT) policy and applicable law.

Rate Base Costs. The allocable costs included in the total requirement for calculating the Terminal Premises Rate, Landing Fee Rate, and Apron Use Fee Rate consist of the following:

1. Total direct and indirect O&M Expenses and O&M Reserve Requirement
2. Debt Service net of Available PFC Revenues
3. Amortization of Authority-funded assets (computed net of amounts funded with the proceeds of Bonds, PFCs, and grants-in-aid) amortized over the economic life of the capital item. Under the Rate Methodology, no imputed interest is included in the calculation of Amortization charges

Landing Fee Rate. The Landing Fee Rate is established according to a cost center residual methodology to recover all Airfield costs net of Airfield revenues generated from users other than Airlines. The Airfield Requirement is computed by summing the rate base costs identified above for the Airfield. From this amount, Airfield revenues other than Landing Fees assigned to Airfield are

deducted to yield the Net Airfield Requirement. The Net Airfield Requirement is divided by the landed weight of all Airlines to determine the Landing Fee Rate.

Apron Use Fee. The Apron Use Fee is established under a compensatory ratemaking methodology where the fee is calculated to recover the average cost for each of the 93 gates in the Terminal Apron Cost Center. The Terminal Apron Requirement is computed by summing the rate base costs identified above for the Terminal Apron. From this amount, the Terminal Apron Requirement Allocable to Remote RON Parking is deducted to yield a Net Terminal Requirement, which is divided by total gates to yield the Apron Use Fee per gate.

Terminal Fees and Charges. The airline Terminal Premises Rate is established under a commercial compensatory ratemaking methodology where the rate is calculated to recover the average cost of each square foot of Rentable Space in the Terminal Cost Center. (Rentable Space is the total amount of space, in square feet, available for rent in the Terminal, including to airlines, concessions, and other rent-paying tenants.) The Terminal Requirement is computed by summing the rate base costs identified above for the Terminal. From this amount, Miscellaneous Direct Reimbursements, Airline Equipment Requirement, Baggage System Operating Expenditures, and the FIS Requirement are deducted to yield a Net Terminal Requirement, which is divided by total Rentable Space to yield the Terminal Premises Rate.

The Authority intends to determine a single rental rate per square foot of terminal space applicable to both the NTC and STC. At this time, the Authority has not determined how it will charge the airlines for holdrooms upon the opening of the STC. For financial modeling purposes it was assumed that the amount of holdroom rent collected would be roughly equivalent to the amount the Authority would collect under the existing methodology whereby the Authority charges the same rate per holdroom regardless of the number of square feet in each gate/holdroom. Currently, the total square footage of all holdroom space is divided by the number of operational gates to yield an average holdroom size.

Airline rates and charges are established annually based on the budget. At the end of each Fiscal Year, the Authority calculates “true-up” rates based on actual expenses and activity, and debits or credits the difference to the Participating Airlines.

Basis of Use. Under the Rate Resolution and LOAs, Airlines that sign LOAs and are assigned designated space (Committed Premises) within the Terminal for their use on an exclusive or preferential use basis and Airlines that are assigned Exclusive Use Premises not subject to an LOA are charged the applicable Terminal Premises Rate for their use of such space. All gates are charged the same rate regardless of the number of square feet in each gate/holdroom. All other space is assigned for use on a per-turn or other activity basis and subject to the applicable rates for use. Airlines must pay the Authority for their use and occupancy of the Airfield, Terminal Apron, and Terminal pursuant to rates and charges established each Fiscal Year, including Landing Fees, monthly charges for Committed Premises and other assigned Exclusive Use Premises, Facility Fees, FIS Fees, Airline Equipment Charges, Apron Use Fees, and Common Use Baggage Charges.

Revenue Sharing. Under the Rate and Revenue Sharing Agreement, airlines that (a) commit to the preferential assignment of at least one gate and associated space through the term of the agreement, and (b) agree not to challenge the rate methodology set forth in the Rate Resolution and not to finance or otherwise participate in any challenge of the rate methodology through the term of the agreement, are entitled to obtain the benefits of revenue-sharing (the Participating Airlines). In addition, the Authority has committed to not change the ratemaking methodology through the term of the agreement subject to any changes that might be required by the USDOT, FAA, or court order.

As set forth in the Rate and Revenue Sharing Agreement that expires September 30, 2016, Net Shared Revenues are equal to (a) all Revenues generated by the operation of the Airport for a Fiscal Year (excluding Revenues generated from Airport Exclusive Revenue Sources) less (b) all Debt Service and Operating Expenditures (including Operating Reserve Requirements) in excess of \$45 million in FY 2014, \$50 million in FY 2015, and \$55 million in FY 2016.

The Authority is finalizing negotiations with the Participating Airlines for a new Rate and Revenue Sharing Agreement to extend from October 1, 2016 to September 30, 2019 (FY 2017 through FY 2019). On August 10, 2016, the Authority approved the new Rate Methodology and Rate and Revenue Sharing Agreement that become effective October 1, 2016. These revised documents are essentially the same as the existing regime with modest refinements to the ratemaking provisions and a modified revenue sharing arrangement. Under the new revenue sharing arrangement the Authority would retain (1) the first \$65 million in net remaining revenues, (2) 35% of the next \$39 million in remaining revenues for FY 2017, \$40 million for FY 2018, and \$58 million for FY 2019, and (3) after crediting the next \$10 million to the Participating Airlines for each Fiscal Year, retain 35% of any additional amounts remaining for each Fiscal Year. The rest of the remaining revenues will be credited to the Participating Airlines.

In developing the financial forecasts, it was assumed that the ratemaking procedures under the new Rate Methodology and Rate Resolution and Rate and Revenue Sharing Agreement would remain in effect through the forecast period.

Table 19 provides a list of Participating Airlines at the Airport as of August 2016. The Participating Airlines account for approximately 94% of the passenger market share at the Airport in FY 2016.

Table 19 PARTICIPATING AIRLINES Orlando International Airport (as of August 2016)			
AeroMexico	COPA	Silver	Virgin Atlantic
Air Canada	Delta	Southwest	WestJet
American	Frontier	Spirit	
British Airways	jetBlue	United	
Source: Greater Orlando Aviation Authority.			

RECONCILIATION OF HISTORICAL FINANCIAL RESULTS

Table 20 presents a summary and reconciliation of the historical operating results of the Authority between Generally Accepted Accounting Principles (GAAP) and the Senior Bond Resolution, as obtained from the financial statements for FY 2014 and FY 2015 contained in the Authority's Comprehensive Annual Financial Report, which are prepared on the basis of generally accepted accounting principles.

Table 20
RECONCILIATION OF HISTORICAL FINANCIAL RESULTS

Greater Orlando Aviation Authority
For Fiscal Years ended September 30, 2014 and 2015 (numbers in thousands)

	2014 ¹	2015
Net Income (per financial statements)		
Operating revenues	\$ 396,462	\$ 427,875
Operating expenses	<u>(211,427)</u>	<u>(237,767)</u>
Operating income before depreciation	\$ 185,035	\$ 190,108
Depreciation	<u>(117,529)</u>	<u>(117,888)</u>
Operating income	\$ 67,506	\$ 72,220
Non-operating revenues (expenses)	(2,504)	(4,023)
Capital contributions	<u>31,909</u>	<u>32,609</u>
Net Income	\$ 96,911	\$ 100,806
Net Revenues (per Bond Resolution)		
Revenues	\$ 418,696	\$ 450,701
Operations and Maintenance Expenses	<u>(208,394)</u>	<u>(221,726)</u>
Net Revenues	\$ 210,302	\$ 228,975
Required fund deposits	<u>(1,001)</u>	<u>(1,978)</u>
Net Revenues available for debt service	\$ 209,301	\$ 226,997
Reconciliation		
Net income	\$ 96,911	\$ 100,806
Add back:		
Depreciation	117,529	117,888
Interest expense	46,569	46,606
Non-capitalized expenditures from restricted and other accounts	7,756	16,041
Participating Airline revenue sharing	51,553	60,785
Fair Market Value Adjustment	(1,225)	(1,614)
Deduct:		
Investment income on restricted accounts and Non-trustee Revenue Account	(473)	(1,012)
Required deposits	(1,001)	(1,978)
Passenger facility charge (PFC) revenues net of debt service	(47,143)	(52,654)
Customer facility charges	(23,951)	(25,039)
Grant income not available for debt service	(32,340)	(32,751)
Transfer to Project Account from Operation and Maintenance Account	(4,723)	-
Gain on sale of equipment and Other Non-operating	<u>(161)</u>	<u>(81)</u>
Net Revenues available for debt service	\$ 209,301	\$ 226,997

1. As restated.

Source: Greater Orlando Aviation Authority.

AIRPORT CAPITAL IMPROVEMENT PROGRAM

In March 2016, the Authority Board (the Board) adopted a capital improvement program to accommodate existing and forecast passenger demand at the Airport from FY 2016 – FY 2023 (the 2016 – 2023 CIP) that was based upon recommendations in the Airport master plan approved by the Board in November 2014. The 2016 – 2023 CIP is expected to be amended by the Board on September 21, 2016 to reflect the completion of certain projects, add the Loop Road System Overlay project, and make certain other refinements. The 2016 – 2023 CIP consists of (1) improvements to the existing north terminal complex (NTC), (2) a proposed new south terminal complex (STC), (3) an airport people mover (APM) system complex connecting the NTC and STC along with an Intermodal Transportation Facility (the South APM Complex), and (4) other projects to maintain and enhance the Airport. The estimated cost of the 2016 - 2023 CIP totals \$3.0 billion, including adjustments for cost escalation. In addition to the 2016 – 2023 CIP, the Authority also undertakes on an ongoing basis major maintenance of assets referred to as Renewal and Replacement Projects.

The capacity enhancements, renovations, and expansion for the North Terminal Complex (NTC) included in the 2016-2023 CIP are designed to (1) increase the capacity limits of various NTC functional elements (e.g., gates, curbs, security checkpoint, baggage, etc.), (2) expedite international processing, and (3) improve the overall travel experience. The existing NTC provides 93 gates on 4 airside. The original North Terminal was designed to accommodate 24 Million Annual Passengers (MAP), which includes enplaned and deplaned passengers. Following the implementation of at least 4 significant rounds of capacity expansion projects approved in 1997, 2000, 2002, and 2008, the NTC is now estimated to provide a capacity of 40 MAP that may be stressed to serve up to 45 MAP. In FY 2015, the Airport handled 37.7 MAP and reached 40.7 MAP on a rolling 12-month basis in June 2016. The capacity enhancements, renovations, and expansion for the NTC included in the 2016 – 2023 CIP are designed to increase its capacity to 45 MAP.

The projects in the 2016 – 2023 CIP, their estimated costs, and the funding plan are described below and summarized in Table 21. Table 22 shows the estimated capital expenditures by Fiscal Year. Cost estimates were provided by the Authority and its consultants and include construction, allowances for design development, project and construction management, contingencies, and escalation.

Figure 21 presents a site plan for the Airport showing the locations of the NTC, STC, and South APM Complex.

Table 21
SUMMARY OF 2016-2023 CIP PROJECT FUNDING
 Greater Orlando Aviation Authority
 (in thousands)

TERMINAL	Cost Estimate	ESTIMATED FUNDING SOURCES										
		AIP Grants	Non-AIP Grants	GOAA Funds	Passenger Facility Charges			General Airport Revenue Bonds				Other
					Paygo	Prior Bonds	New Bonds	New Senior	Sub Lien	Post 2019	Prior	
North Terminal Complex												
Ticket Lobby, Airline Reloc., CUSS/CUPPS, Signage	\$ 146,181	\$ -	\$ 32,433	\$ 16,196	\$ 4,179	\$ 67,294	\$ -	\$ -	\$ -	\$ -	\$ 25,359	\$ 720
Baggage Program	152,444	-	44,507	2,347	20,900	35,280	-	-	-	-	49,410	-
Repurpose Airside 1 FIS	12,668	-	-	-	-	-	8,868	-	-	3,800	-	-
Future CCTV Projects (BP-459)	4,748	2,831	470	-	1,446	-	-	-	-	-	-	-
Access Control Security Enhancements (Gate E50 Reconfiguration)	6,191	-	-	-	6,191	-	-	-	-	-	-	-
Airside 1 & 3 Automated People Mover (APM)	90,000	-	1,589	747	-	-	-	57,664	-	-	30,000	-
Airside 2 APM Vehicle Replacement (6 vehicles)	33,000	-	-	1,200	31,800	-	-	-	-	-	-	-
	\$ 445,233	\$ 2,831	\$ 78,999	\$ 20,489	\$ 64,517	\$ 102,575	\$ 8,868	\$ 57,664	\$ -	\$ 3,800	\$ 104,769	\$ 720
Airside 4												
AS4-FIS Improvements	\$ 50,292	\$ -	\$ 2,787	\$ 342	\$ -	\$ 38,236	\$ -	\$ -	\$ -	\$ -	\$ 8,905	\$ 23
90s Wing Improvements	44,444	-	-	-	15,000	29,180	-	-	-	-	264	-
Central Plant Improvements & AHU Replacement	30,649	-	-	-	-	19,292	-	-	-	-	11,357	-
Restroom Improvements	3,615	-	-	-	-	3,525	-	-	-	-	89	-
	\$ 129,000	\$ -	\$ 2,787	\$ 342	\$ 15,000	\$ 90,233	\$ -	\$ -	\$ -	\$ -	\$ 20,615	\$ 23
SOUTH APM PROGRAM												
APM System/Guideway	\$ 119,043	\$ -	\$ 2,965	\$ 1,735	\$ 95,251	\$ -	\$ 16,873	\$ 2,219	\$ -	\$ -	\$ -	\$ -
APM Station	81,540	-	-	11,075	7,114	-	51,132	12,219	-	-	-	-
Parking Garage	118,034	-	-	9,366	-	-	-	-	-	-	-	108,669
Master Site & Utilities	50,538	-	-	18,723	-	-	20,162	11,653	-	-	-	-
Roadway	57,789	-	9,193	19,190	-	-	19,792	3,524	-	-	6,090	-
	\$ 426,945	\$ -	\$ 12,158	\$ 60,089	\$ 102,365	\$ -	\$ 107,959	\$ 29,616	\$ -	\$ -	\$ 6,090	\$ 108,669
AIRFIELD												
Taxiway C & J Rehabilitation	\$ 33,991	\$ 22,221	\$ 3,700	\$ 122	\$ 7,947	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Runway 17R-35L Improvements	16,897	11,009	1,837	-	4,050	-	-	-	-	-	-	-
Runway 18L-36R Group VI Compliance (Design)	2,079	-	226	-	1,853	-	-	-	-	-	-	-
Taxiway G & H Rehabilitation	38,961	25,409	4,235	-	941	-	8,376	-	-	-	-	-
Other Airfield	7,592	2,320	1,482	1,097	2,693	-	-	-	-	-	-	-
	\$ 99,519	\$ 60,960	\$ 11,480	\$ 1,219	\$ 17,483	\$ -	\$ 8,376	\$ -	\$ -	\$ -	\$ -	\$ -
GROUND TRANSPORTATION												
Loop Road Overlay	\$ 10,495	\$ -	\$ -	\$ 795	\$ -	\$ -	\$ -	\$ 9,700	\$ -	\$ -	\$ -	\$ -
South Airport Cell Lot and Travel Plaza	6,000	-	-	-	-	-	-	-	-	-	-	6,000
Heintzelman Blvd Extension	12,612	-	-	-	-	-	-	-	-	12,612	-	-
	\$ 29,107	\$ -	\$ -	\$ 795	\$ -	\$ -	\$ -	\$ 9,700	\$ -	\$ 12,612	\$ -	\$ 6,000
OTHER												
East Apron Fuel Farm	\$ 35,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,300
Infrastructure for Commercial Development	19,865	-	-	-	-	-	-	-	-	-	-	19,865
Fiber Infrastructure/IT Projects	34,799	-	-	22,497	-	-	-	-	-	12,302	-	-
Other	15,922	-	-	4,537	11,385	-	-	-	-	-	-	-
	\$ 105,886	\$ -	\$ -	\$ 27,034	\$ 11,385	\$ -	\$ -	\$ -	\$ -	\$ 12,302	\$ -	\$ 55,165
CIP Without South Terminal Complex	\$ 1,235,690	\$ 63,792	\$ 105,425	\$ 109,968	\$ 210,750	\$ 192,808	\$ 125,203	\$ 96,980	\$ -	\$ 28,714	\$ 131,474	\$ 170,577
SOUTH TERMINAL COMPLEX												
Landside Terminal Building	\$ 647,135	\$ -	\$ 20,000	\$ 25,000	\$ -	\$ -	\$ 301,900	\$ 150,118	\$ 150,118	\$ -	\$ -	\$ -
Airside Terminal Building	787,552	-	-	25,000	159,000	-	220,311	163,772	163,772	-	-	55,698
Parking Facility	60,979	-	-	-	-	-	-	22,989	22,989	-	-	15,000
Ground Transportation Center	117,478	-	-	-	-	-	-	58,739	58,739	-	-	-
Site Development	178,173	-	15,000	-	-	-	-	81,586	81,586	-	-	-
GSE Support	8,684	-	-	-	-	-	-	4,342	4,342	-	-	-
Total South Terminal Complex	\$ 1,800,000	\$ -	\$ 35,000	\$ 50,000	\$ 159,000	\$ -	\$ 522,211	\$ 481,546	\$ 481,546	\$ -	\$ -	\$ 70,698
TOTAL FY 2016-2023 Capital Improvement Program												
	\$ 3,035,690	\$ 63,792	\$ 140,425	\$ 159,968	\$ 369,750	\$ 192,808	\$ 647,414	\$ 578,525	\$ 481,546	\$ 28,714	\$ 131,474	\$ 241,274

Note: Other funds include CFCs and other financing provided for the fuel system.

Source: Greater Orlando Aviation Authority as of August 2016 for projects expected to be undertaken through FY 2023.

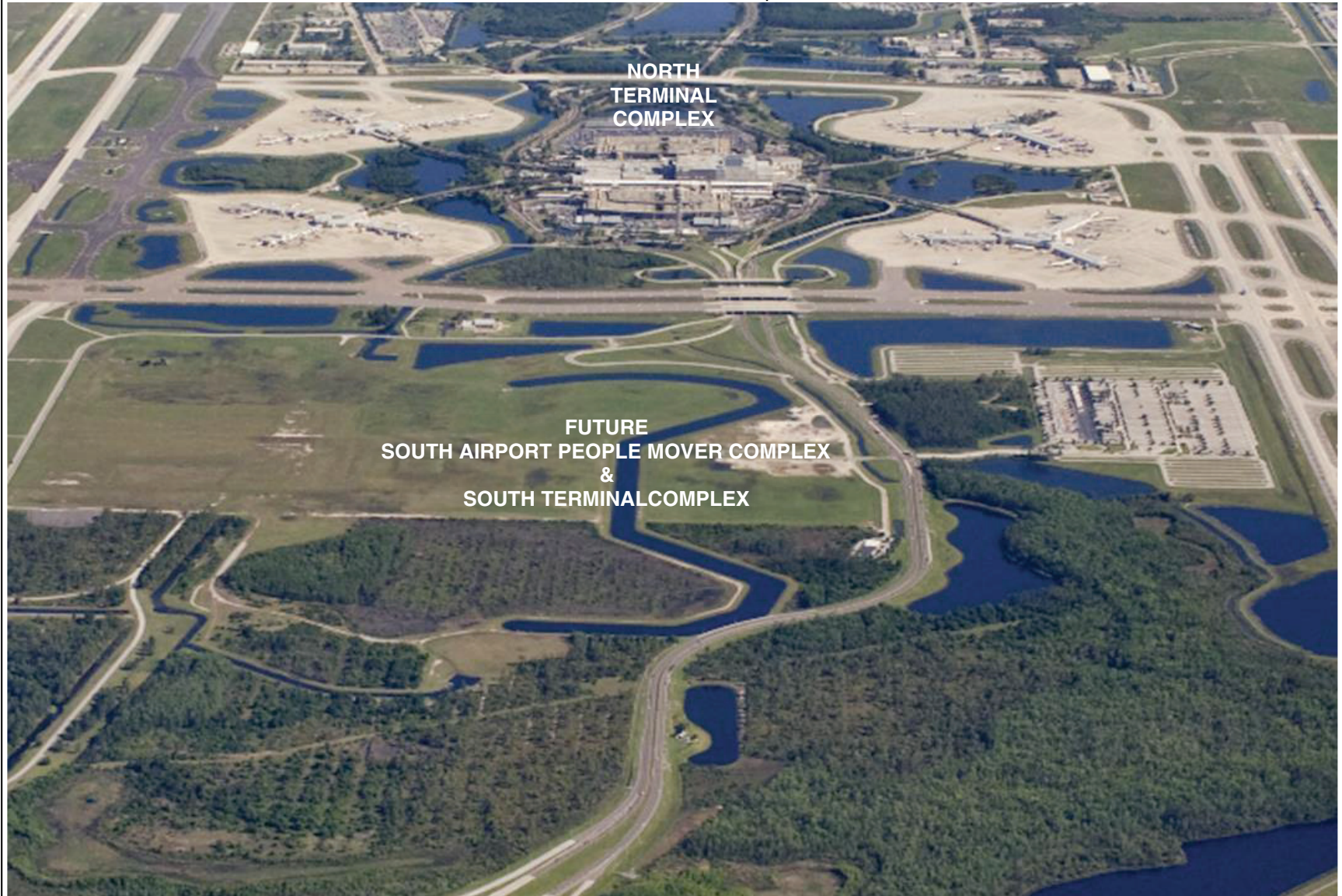
Table 22
SUMMARY OF 2016-2023 CIP PROJECT EXPENDITURES BY FISCAL YEAR
 Greater Orlando Aviation Authority
 (in thousands)

	Total	Through 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
TERMINAL										
North Terminal Complex										
Ticket Lobby, Airline Reloc., CUSS/CUPPS, Signage	\$ 146,181	\$ 25,541	\$ 54,220	\$ 52,920	\$ 13,500	\$ -	\$ -	\$ -	\$ -	\$ -
Baggage Program	152,444	82,185	43,900	25,500	859	-	-	-	-	-
Repurpose Airside 1 FIS	12,668	-	-	-	-	-	-	12,668	-	-
Future CCTV Projects (BP-459)	4,748	-	237	4,511	-	-	-	-	-	-
Access Control Security Enhancements (Gate E50 Reconfiguration)	6,191	-	3,050	3,142	-	-	-	-	-	-
Airside 1 & 3 Automated People Mover (APM)	90,000	22,681	42,300	25,019	-	-	-	-	-	-
Airside 2 APM Vehicle Replacement (6 vehicles)	33,000	-	-	33,000	-	-	-	-	-	-
	\$ 445,233	\$ 130,407	\$ 143,707	\$ 144,091	\$ 14,360	\$ -	\$ -	\$ 12,668	\$ -	\$ -
Airside 4										
AS4-FIS Improvements	\$ 50,292	\$ 8,165	\$ 20,463	\$ 16,445	\$ 5,219	\$ -	\$ -	\$ -	\$ -	\$ -
90s Wing Improvements	44,444	4,780	11,980	24,660	3,024	-	-	-	-	-
Central Plant Improvements & AHU Replacement	30,649	4,976	12,470	10,055	3,148	-	-	-	-	-
Restroom Improvements	3,615	3,615	-	-	-	-	-	-	-	-
	\$ 129,000	\$ 21,536	\$ 44,913	\$ 51,160	\$ 11,391	\$ -	\$ -	\$ -	\$ -	\$ -
SOUTH APM PROGRAM										
APM System/Guideway	\$ 119,043	\$ 35,000	\$ 60,000	\$ 22,363	\$ 1,680	\$ -	\$ -	\$ -	\$ -	\$ -
APM Station	81,540	20,000	33,000	25,000	3,540	-	-	-	-	-
Parking Garage	118,034	25,882	48,620	42,062	1,470	-	-	-	-	-
Master Site & Utilities	50,538	25,000	20,000	5,000	538	-	-	-	-	-
Roadway	57,789	10,000	40,000	5,000	2,789	-	-	-	-	-
	\$ 426,945	\$ 115,882	\$ 201,620	\$ 99,425	\$ 10,018	\$ -	\$ -	\$ -	\$ -	\$ -
AIRFIELD										
Taxiway C & J Rehabilitation	\$ 33,991	\$ -	\$ 553	\$ 15,111	\$ 18,326	\$ -	\$ -	\$ -	\$ -	\$ -
Runway 17R-35L Improvements	16,897	-	-	1,337	-	15,559	-	-	-	-
Runway 18L-36R Group VI Compliance (Design)	2,079	-	-	-	-	-	-	2,079	-	-
Taxiway G & H Rehabilitation	38,961	-	-	-	-	3,933	17,514	17,514	-	-
Other Airfield	7,592	-	2,344	5,248	-	-	-	-	-	-
	\$ 99,519	\$ -	\$ 2,897	\$ 21,697	\$ 18,326	\$ 19,492	\$ 17,514	\$ 19,593	\$ -	\$ -
GROUND TRANSPORTATION										
Loop Road Overlay	\$ 10,495	\$ -	\$ -	\$ 5,248	\$ 5,248	\$ -	\$ -	\$ -	\$ -	\$ -
South Airport Cell Lot and Travel Plaza	6,000	-	3,000	3,000	-	-	-	-	-	-
Heintzelman Blvd Extension	12,612	-	-	-	-	-	1,845	10,767	-	-
	\$ 29,107	\$ -	\$ 3,000	\$ 8,248	\$ 5,248	\$ -	\$ 1,845	\$ 10,767	\$ -	\$ -
OTHER										
East Apron Fuel Farm	\$ 35,300	\$ -	\$ -	\$ -	\$ 17,389	\$ 17,911	\$ -	\$ -	\$ -	\$ -
Infrastructure for Commercial Development	19,865	-	-	-	-	-	-	-	9,786	10,079
Fiber Infrastructure/IT Projects	34,799	300	4,000	4,000	2,728	3,582	4,920	10,964	4,305	-
Other	15,922	-	300	6,385	4,000	3,970	-	1,267	-	-
	\$ 105,886	\$ 300	\$ 4,300	\$ 10,385	\$ 24,117	\$ 25,463	\$ 4,920	\$ 12,231	\$ 14,091	\$ 10,079
CIP Without South Terminal Complex	\$ 1,235,690	\$ 268,125	\$ 400,437	\$ 335,006	\$ 83,459	\$ 44,955	\$ 24,279	\$ 55,259	\$ 14,091	\$ 10,079
SOUTH TERMINAL COMPLEX										
Landside Terminal Building	\$ 647,135	\$ -	\$ 21,195	\$ 70,232	\$ 277,379	\$ 274,158	\$ 4,170	\$ -	\$ -	\$ -
Airside Terminal Building	787,552	-	25,793	132,206	332,107	283,146	14,300	-	-	-
Parking Facility	60,979	-	1,997	7,016	27,516	24,139	311	-	-	-
Ground Transportation Center	117,478	-	3,848	15,397	55,719	41,855	660	-	-	-
Site Development	178,173	-	5,835	91,622	52,659	27,073	983	-	-	-
GSE Support	8,684	-	284	514	2,889	4,947	49	-	-	-
Total South Terminal Complex	\$ 1,800,000	\$ -	\$ 58,953	\$ 316,988	\$ 748,269	\$ 655,318	\$ 20,473	\$ -	\$ -	\$ -
TOTAL FY 2016-2023 Capital Improvement Program	\$ 3,035,690	\$ 268,125	\$ 459,390	\$ 651,994	\$ 831,728	\$ 700,273	\$ 44,752	\$ 55,259	\$ 14,091	\$ 10,079

Note: Other funds include CFCs and other financing provided for the fuel system.

Source: Greater Orlando Aviation Authority as of August 2016 for projects expected to be undertaken through FY 2023.

Figure 21
SITE PLAN – NORTH AND SOUTH TERMINAL COMPLEXES
Orlando International Airport



Source: Greater Orlando Aviation Authority.

2016 Project

As shown on Exhibit A-1, the 2016 Project, which is a subset of the 2016 – 2023 CIP, consists of five discrete projects, as described below. At the time the 2015 Bonds were issued, the 2016 Project was referred to as the 2015 Project and included all of the same project elements except for the Loop Road System Overlay, which was subsequently added to form the 2016 Project.

1. ***Ticket Lobby Improvements.*** This project expands the ticket lobbies in Terminals A & B to incorporate new technology, provide greater capacity, improve the flexibility in the use of the ticket counter positions, and simplify future airline relocations. The project includes proposed improvements to the level 3 landside terminal ticketing areas from the ticket counter backwall to the enplane curb. The improvements will increase the passenger processing capacity of this area by incorporating various modes of passenger check-in. The largest portion of this project entails the reconfiguration and expansion of existing landside terminal level 3 public circulation and passenger check-in areas. Scope in this project includes: (1) expansion of passenger ticketing areas, (2) modifications to associated baggage makeup and handling spaces, (3) reconfiguration and relocation of airlines to support expanded passenger processing space, (4), modifications to support operations and tenant spaces to provide room for additional ticketing and public circulation areas, (5) improvements to enplane and deplane curbs, (6) reconfiguration of exterior terminal walls, and (7) modifications to existing building systems impacted by the modifications and expansion of public circulation and ticketing areas including electrical, mechanical and specialty systems.

An allowance for relocation of airlines and reconfiguration of facilities is included in the project to address airline needs as the program is implemented. Replacement and added static and variable message signage throughout the ticketing areas are also included in the scope of this project. In addition, this project includes Common Use Self Service (CUSS) and Common Use Passenger Processing Systems (CUPPS) projects.

The project is estimated to cost \$146.2 million. Construction started in FY 2015 and substantial completion is expected to occur in October 2017.

2. ***Airside 4 Improvements.*** This project addresses multiple facility issues, including capacity enhancement and asset preservation, and includes the following major work elements: (1) renovation and expansion of the Federal Inspection Services (FIS) facilities, including Customs and Border Protection (CBP) facilities, and TSA relocation and reconfiguration, (2) modifications to the 90's wing to convert existing gates into swing gates to accommodate increased international service, (3) construction of a new Central Energy Plant (CEP) to support Airside 4, (4) replacement of HVAC units throughout the airside, and (5) renovation of the public restroom facilities. The FIS improvements include the expansion and renovation of the FIS located on the ramp level of Airside 4. This work will expand the primary processing queue area, expand and reconfigure the bag make-up and bag claim equipment, renovate and reconfigure the TSA recheck area as well as renovate and reconfigure various offices and support areas.

The FIS improvements will necessitate the replacement of the existing 20-year old centralized 400Hz system to a point of user system at each gate. The improvements to the 90's wing involves widening the concourse by approximately 20 feet to the south in order to convert four existing domestic gates into international gates by adding a sterile corridor at level 1. The expansion of this concourse includes approximately 22,000 square feet of new construction and 5,000 square feet of renovation. The expansion will necessitate the relocation of existing hydrant fuel pits and four boarding bridges.

The CEP improvements include new chiller equipment and cooling towers to provide 3,000 tons of cooling capacity and hot water heating capacity of 70,200 million BTU per hour to serve Airside 4. The new CEP will encompass approximately 11,800 square feet of enclosed building structure and 6,400 square feet of open structure. The site preparation for the plant requires partial infill of an existing pond, a new retaining wall, and relocation of a service road.

This project also includes the replacement of the HVAC units that serve the FIS facilities and the 90's wing.

The Airside 4 restroom improvements involve a complete finishes update for all six sets of public restrooms on the transfer level of Airside 4.

The Airside 4 improvements project is estimated to cost \$129 million. Construction began in FY 2015 and substantial completion is expected to occur in November 2017.

3. **Airsides 1 & 3 APM.** This project includes a new operating system and running surfaces for the APM System at Airsides 1 and 3. Guideway and station equipment and facilities to accommodate the systems are included. The project also includes 6 new vehicles for each airside along with the associated power distribution, Automatic Train Control (ATC) and communications equipment. This project will require replacement of the concrete running surfaces along the guideways. This work will reduce the APM service to each airside to a single train for up to 8 months each. The project is estimated to cost \$90 million. An allowance for contingency operations to move passengers to/from the airside in the event of an outage is included. Design started in FY 2014, construction began in October 2015, and substantial completion is expected to occur in March 2018.
4. **South APM Complex.** The South APM Complex will relieve congestion in the existing NTC and support future multi-modal travel connections in the vicinity of a planned future STC to provide greater connectivity to the region and the state and will be needed when the STC opens.

The South APM Complex consists of the South APM System, South APM Station, Parking Facility, and Roadway Systems. The South APM Complex system component of the program includes an APM System from the existing North Terminal to the South Airport APM Station. The system completes the dual guide way structure and includes a new guideway from the end point of the existing guideway at the Mid-Cross field taxiway to level 2 of the APM station. All APM vehicles, controls, and equipment are included in this project.

The South APM Complex includes a new APM station and ground transportation facility (approximately 108,000 square feet) that is integrated into the APM station on the east side at levels 1 and 2. The South APM Complex parking facility includes approximately 1 million square feet of parking structure and will provide approximately 2,400 total parking spaces.

The South APM Complex roadway systems include the South APM Complex entrance and departure roads, including roadway lighting and overhead signage. New bridges and tunnels are required to provide roadways crossing over the new APM and future railway tracks. Changes to the existing roadway system include upgrades to the intersection at the facility entry road and Jeff Fuqua Boulevard, and realignment of portion of the Jeff Fuqua Boulevard to the east. Pedestrian pavement is included at the curbside drop off area at the Station.

The South APM Complex is estimated to cost \$426.9 million. Construction began in FY 2015 and substantial completion is expected to occur in August 2017.

The South APM Complex, along with the Intermodal Terminal Facility (ITF), which is being constructed adjacent to the South APM Complex, include infrastructure improvements that could accommodate at least three rail systems: (1) the South APM station that connects to the NTC, (2) the All Aboard Florida (AAF) passenger train service between Miami and Orlando being developed by Florida East Coast Industries Inc. (FECI) that is expected to be operational in mid-2018,* and (3) SunRail, Central Florida's commuter rail line that is expected to connect four counties and span 61.5 miles with a future connection to the Airport.**

The Authority is currently in discussions with a company that has proposed to develop a 12.8 mile privately-funded light rail system from the Airport to the Orlando County Convention Center and International Drive. The South APM Complex and ITF include infrastructure improvements that could accommodate this fourth rail system. No Authority or public funding is envisaged for the light rail project. The project proponent will take all the risks for the capital and operating costs of the system and has completed a ridership and revenue forecast report. Although no agreement has been reached at this time, it is the Authority's intention that the fees charged to the project proponent would be established in a manner to recover most, if not all, estimated revenues to be paid by rental car, taxi, limo, and shuttle operators to the Authority resulting from passengers shifting from these modes of ground transport to the proposed light rail system operation. The implementation schedule for this project is uncertain at this time, but the project proponent has indicated their eagerness to move forward as quickly as possible upon securing all approvals, including those from the Authority.

The Authority's 2016-2023 CIP does not include the costs to design, permit, and construct the \$220 million ITF. The ITF station will be constructed by the Authority with funding of \$211 million from the Florida Department of Transportation (FDOT) and an \$8.7 million capital contribution from Florida East Coast Industries (FECI) for which the Authority has no repayment obligation. FECI is the parent company of All Aboard Florida – Operations, LLC, which plans to launch Brightline, an express intercity passenger rail service that will connect Miami, Fort Lauderdale, West Palm Beach, and Orlando (via the station at the Airport). However, under a Joint Participation Agreement between the Authority and FDOT, the Authority may be required to reimburse FDOT for \$52.7 million for those portions of the project related to the AAF facilities. The Federal Rail Administration (FRA) is the lead agency for the National Environmental Policy Act (NEPA) review process for the AAF passenger rail system project. On August 4, 2015, FRA issued the Final Environmental Impact Statement for the full project from Miami to Orlando International Airport. AAF has proposed to fund \$1.75 billion of its costs for the rail system using private activity bonds (PABs) issued on its behalf by the Florida Development Finance Corporation. The USDOT has given AAF until January 1, 2017 to issue such bonds before losing the PAB allocation. In federal court hearings, AAF said it could complete the funding without PABs.

5. **Loop Road System Overlay.** The improvements to the terminal Loop Road consist of mill and overlay of the existing asphalt pavement, reconstruction of the isolated structurally distressed areas, and new roadway pavement markings and improvements to the roadway lighting. The

*In July 2016, AAF said it will begin service between Miami and West Palm Beach next year with full service to Orlando International Airport commencing in mid-2018. AAF is currently defending challenges from certain Florida counties as to AAF's right to conduct its intended operations through such counties. The results of such challenges could delay or prevent AAF from achieving its plan to provide rail service to the Airport.

**At a June 3, 2015 meeting of the Central Florida Commuter Rail Commission Technical Advisory Committee, SunRail leaders said they are hopeful to have rail service to the Airport by 2020, but also said it could happen earlier.

estimated cost is \$10.5 million with construction expected to begin mid-2017 and substantial completion expected to occur in late 2017.

South Terminal Complex

In light of the growth in passengers and continued increases in international service (as described in the report), the Authority authorized staff to proceed in May 2015 with procurement of professional services for design of Phase 1 of the STC and to initiate STC construction when the Airport achieves 38.5 MAP on a cumulative 12-month rolling average for a period of six consecutive months. The 12-month rolling average MAP exceeded 38.5 in each month since December 2015 thereby reaching the consecutive 6 month threshold in May 2016. A second trigger of 2 million annual international passengers arriving and processed through the FIS was previously met. Design of Phase I of the STC commenced in fall 2015 with 30% design completed in late July 2016, 60% design expected in late November 2016, and 95% construction documents expected in mid-May 2017. Construction is expected to commence in the first quarter of 2017 with an expected opening in October 2019.

Phase I of the STC will include the following scope:

Site Development. This scope of work includes the clearing and removal of existing native vegetation and water features on 175 acres of land within the existing 1,000 + acre south terminal site. Also included is the grading of the existing site to accommodate the proposed terminals, parking facilities, aircraft taxiways, and aprons. Within this package are the roadways and bridges necessary for cars, trucks, and ground transportation as well as the utilities required to operate the complex such as water, sanitary, gas, electricity, and communications systems.

Airside Terminal Building. The preliminary 16-gate facility is planned to accommodate both international and domestic air traffic.* The terminal is designed to facilitate narrow body aircraft as well as larger aircraft such as the Airbus A380 and Boeing 747-8. The approximate building area is 835,000 square feet, consisting of four levels that will house all of the necessary features required to operate a terminal. Some of the features include baggage handling systems, concession areas, a food court, passenger holdrooms, a sterile corridor system, passenger boarding bridges, emergency generators, moving walkways, and operations centers. Apron and taxiway paving and lighting will also be included along with an aircraft fuel hydrant system. Sterile corridors connecting the gates to the FIS in the landside terminal will be located on the level below the departures level.

Landside Terminal Building. Adjoining the airside terminal will be the landside terminal that is approximately sized at 809,000 square feet. The building is planned to allow pedestrian traffic to access the complex without interference from motorized vehicles. The concept allows for the arriving party to purchase tickets, check baggage, claim baggage and meet arriving parties without congestion. The building will include internal ticket counters and kiosks. The baggage handling system is planned to allow customers to store their belongings until their flight departs or immediately board a departing plane. In addition, arriving and departing passengers will have a covered curbside canopy at the departure level and the commercial curb level to protect them from the elements when they access the terminal. The FIS and international bag claim will also be located in the landside terminal.

Ground Transportation Center. To allow the customers of the parking and ground transportation facilities to utilize the STC, elevated, covered walkways have been incorporated within

*The 16 gates at the STC are designed for 8 narrow body aircraft gates, 5 Multiple Aircraft Ramp System (MARS) gates, and 3 Group VI aircraft gates (Boeing 747-8 and Airbus 380). The MARS gates have 2 jetways and can accommodate 2 narrow body aircraft at a time. The 16 gates could accommodate 21 narrow body equivalent aircraft.

the overall design of the project. The Ground Transportation Facility is planned for multiple uses. The initial phase is to accommodate foot traffic to and from the landside terminal and the ITF. Within this initial phase, passengers will have the ability to access ground transportation, purchase tickets for trains, store baggage, and access the terminal. Future plans for the ground transportation center envision a hotel above the complex.

Parking Facility. The Authority plans to construct 2,500 additional parking spaces to supplement the 2,400 space multi-story garage that is currently under construction as part of the South Airport APM program for a total of 4,900 spaces upon the opening of the STC. The expansion of the South APM garage should provide the necessary capacity to accommodate all of the parking needs for the STC – Phase I complex. The capacity generated by this addition will aid in reducing parking congestion in the North Terminal as passengers arriving at the Airport from the south will have the option to access parking more quickly, check bags, and use the South Airport APM to access the North Terminal.

Ground Support Equipment (GSE) Complex. In order to provide maintenance to the STC, a GSE maintenance facility will be constructed. The GSE complex will house all of the supplies and equipment required to provide service to the complex and its future expansion. It will provide for the disposal of airline waste and portable fuel transports, minor communications, and facilities to maintain and repair ground support vehicles associated with aircraft activity.

The Authority estimates that passenger demand will require, following Board approval, the commencement of STC construction in FY 2017 with an expected opening in October 2019. The Authority intends to apply for and expects to receive authority to use PFC Revenues to fund portions of the STC on both a pay-as-you-go and leveraged basis.

OTHER CIP PROJECTS

North Terminal Complex

The Authority has identified a series of other improvements for the NTC as follows:

Baggage Program. The baggage program is comprised of several complementary components including pod optimization and other Baggage Handling System (BHS) improvements. The pod improvements will optimize checked baggage processing capacity in pods A through D that serve as the security screening points for the terminal baggage system. The pod optimization scope generally includes reconfiguration of the main induction and sortation conveyor lines for baggage load balancing, replacement of queuing conveyors in front of the explosives detection equipment, increase of inspection queuing positions in the TSA's resolution area, and modifications to upper and lower levels of the programmable logic controller (PLC) program controlling the BHS. Other BHS components include a wide variety of baggage-related improvements such as replacement of select baggage make-up carousels and flat-plate bag claim devices, upgrade remaining ticket counter security doors, upgrade baggage make-up area lighting and ventilation systems, new baggage make-up area restrooms, safety-netting over personnel traffic areas and Landside emergency power generation expansion. A portion of this project was completed in 2015 with all other elements expected to be completed in late 2017. The project was funded in part with the 2013A Bonds.

Repurpose Airside 1 FIS. Airside 1 was the original international terminal at the Airport and has served as such since 1984. This project repurposes the existing CBP/FIS facility at Airside 1 following the opening of the new U. S. Customs and Border Protection (CBP) Federal Inspection Services (FIS) facility at the STC. Following the opening of the new STC international facility, Airside 1 will transition to a domestic terminal and no longer serve international flights.

Closed Circuit Television (CCTV) Improvements. This project upgrades and enhances the Closed Circuit Television System (CCTV) monitoring the Secured Areas at the Airport. Currently, the Airport's Secured Areas have CCTV coverage via a system that was installed approximately 10 years ago and is near the end of its useful life. The project will upgrade and enhance the CCTV coverage and video storage capability of the system monitoring the Secure Areas at the Airport. This program will begin in FY 2017 and be complete in FY 2018.

Access Control Improvements. This project provides enhanced access control for Gate E-50 (Checkpoint Charlie) used by airport/airline employees. The project is under design and construction is expected to begin in FY 2017.

Airside 2 APM Vehicle Replacement. This project consists of replacing six APM vehicles and associated infrastructure that will reach the end of their useful lives. The project is expected to be undertaken in FY 2017.

Airfield

The Authority has identified a series of improvements to maintain the airfield, which have been programmed to maximize Airport Improvement Program (AIP) and FDOT grant participation as follows:

Taxiway Rehabilitation. These projects provide rehabilitation and improvements for the existing pavements on Taxiway C (FY 2017), Taxiway J (FY 2018), and Taxiways G and H (FY 2019 – FY 2020). Construction work includes removal and replacement of concrete joints and cracked slabs, mill and overlay of asphalt pavement, improvements for pavement geometry, markings, lighting, and signage. The Taxiway C project rehabilitates the south end of Taxiway C (located between Taxiway F and Taxiway B10), Taxiway B9, and related areas. The Taxiway J project includes Taxiway J and its connecting taxiways between Taxiway C in the West Airfield and Taxiway H1 in the East Airfield. The Taxiway G and H project provides rehabilitation and improvements for Taxiways G and H and their connecting taxiways.

Runway 17R-35L Improvements. This project provides rehabilitation and improvements for the existing pavements for Runway 17R-35L and associated taxiway connectors within the runway safety areas. Construction work includes removal and replacement of concrete joints and cracked slabs, improvements for pavement geometry, markings, lighting and signage. Design is tentatively scheduled to take place in FY 2017 and construction in FY 2018 subject to the availability and timing of anticipated AIP grants.

Runway 18L-36R Group VI Compliance (Design). This project upgrades Runway 18L-36R to FAA Airplane Design Group VI standards. The proposed work includes runway shoulder pavement widening, runway blast pad pavement widening and other related modifications in adjacent airfield areas.

Other Airfield. Other planned airfield improvements include (1) remarking Runways 17R-35L and 18L-36R and (2) improvements for the Taxiway Safety Areas for Taxiway G, Taxiway H, and portion of Taxiways E and F, including surface grading and relocation of existing drainage facilities.

Ground Transportation

South Cell Lot, and Travel Plaza. This program includes South Airport Cell Lot and Travel Plaza, which will be undertaken in FY 2016 and FY 2017.

Heintzelman Boulevard Extension. The Heintzelman Boulevard project consists of extending the existing four-lane divided roadway from its current terminus, at South Access Road, west to

intersect with Boggy Creek Road at Wetherbee Road. The Airport Master Plan includes a four-lane divided urban roadway with a length of approximately 1.2 miles. The current CIP includes Phase I of the project. Phase 1 will include a two-lane extension from South Access Road to Wiley Drive. This project will support the development of the South Terminal Complex, provide improved east/west access for aviation-related development, and support projected traffic through 2025.

Other Improvements

Other improvements to the Airport include construction of an east apron fuel farm, infrastructure development for Airport commercial development areas, wildlife attractant removal, and fiber infrastructure and IT projects.

The East Apron Fuel Farm project will provide a second operationally redundant and geographically separate fuel supply for Airport users. The existing fuel farm is located on the west side of the Airport and is supplied by refinery sources from the gulf coast via barges across the Gulf of Mexico, a port facility in Tampa and a pipeline from the port to central Florida, and over land via a trucking operation from a recently completed fuel farm at Port Canaveral. Impacts from hurricanes and other petroleum supply disruptions have caused the Airport to nearly run out of fuel on several occasions in the past, highlighting the need for redundancy.

The development of infrastructure for Poitras, East Airfield Development Area (EADA), Midfield Area, M-5, Mud Lake, Tradeport project will include construction of utilities and roadways to facilitate the commercial development of these areas to allow the Authority to diversify non-airline revenue.

The Wild Life Hazard Management Plan will reduce the amount of open standing water and aquatic vegetation on the east airfield to reduce wildlife attractants.

The fiber infrastructure program will provide for the completion, expansion, and modification of the fiber-optic loop connecting major nodes on Airport property. This work will include additional ductbanks, conduit, and cable, associated electronic devices and facilities improvements, including new and improved Main Points of Entry (MPOE).

The IT improvement projects include relocating the existing Authority IT computer room from a building in the Northeast Terminal Support Area to a new building in the South Airport APM Complex area, updates to the existing communications rooms, and implementing several technology enhancements for Self-Service Processing Passengers and Airport Parking Innovations to better serve airport passengers, employees, and other users, and to integrate new and changing technologies.

The 2016 – 2023 CIP represents, to the Authority's best knowledge and belief at this time, all of the significant capital improvements expected to be undertaken through FY 2023. The Authority reassesses its capital needs at least annually and will modify the 2016 – 2023 CIP as necessary to accommodate demand-driven traffic activity, security needs, and other factors, which could result in increases or decreases to the 2016 – 2023 CIP, or extend or accelerate the timing to complete certain projects. The Authority plans to continually evaluate construction on such future projects based on demand, cost, and funding, as well as other factors.

Estimated Sources of Funding for the 2016-2023 Planned Capital Projects

Funding sources for the 2016 – 2023 CIP include FAA Airport Improvement Program (AIP) grants-in-aid, State of Florida grants-in-aid, TSA grants, PFC pay-as-you-go revenues, previously issued Bonds, rental car CFCs, Authority funds, the 2016A/B Bonds, and Other Future Indebtedness. The Authority has received FAA approval to fund portions of the South APM Complex with PFC revenues.

Grants. The Authority expects to use a combination of AIP, TSA, and FDOT grants to fund \$208 million in project costs. Approximately \$64 million of this amount is expected from a combination of entitlement and discretionary AIP grants to fund various airfield improvements under the 2016 – 2023 CIP. The Authority is eligible to receive grants-in-aid from the FAA under the AIP for up to 75% of the costs of eligible projects. Certain of these grants are awarded as “entitlement” grants, the annual amount of which is calculated on the basis of the number of enplaned passengers and the amount of landed weight of all-cargo aircraft at the Airports. Other “discretionary” grants are awarded on the basis of the FAA’s determination of the priorities for projects at the Airports and at other airports nationwide. The AIP grant program is subject to periodic reauthorization and appropriation by Congress and the current authorization expires September 30, 2017. In addition, AIP could be affected by the automatic across-the-board spending cuts, known as sequestration. As a result, there can be no assurance that the FAA will receive spending authority and the Authority is unable to predict the level of available AIP funding it may receive. To the extent AIP grants are not available, the Authority may need to defer projects and/or issue revenue bonds to fund them.

The Authority has received \$32 million in TSA grants for various baggage system improvements. In addition, the State of Florida actively participates in the development of Airport capacity in Orlando and other regions of the State through FDOT matching grants equal to 12.5% of the cost of projects funded with AIP grants and 50% of non-AIP funded projects.

PFC Revenues. The Authority estimates that approximately \$1.2 billion of PFC funding will be used to fund various terminal, airfield, roadway, South APM, and STC projects in the 2016 – 2023 CIP. This includes \$370 million of pay-as-you-go PFC funding, \$193 million in previously-issued PFC-backed Bond proceeds, and \$647 million of future PFC-backed bond proceeds (including the 2016A/B Bonds). The Authority intends to apply for approval to impose and use PFCs for portions of the STC in September 2016 and to designate certain PFC Revenues as Available PFC Revenues. PFC-use approval expected for future applications on both a pay-as-you-go basis and leveraged basis is also reflected in the financial forecasts presented in this report.

Revenue Bonds. The Authority estimates that approximately \$1.2 billion of revenue-backed Bonds will be used to fund various projects in the 2016 – 2023 CIP. This includes \$132 million in previously-issued Bond proceeds and \$607 million in future revenue-backed Bond proceeds (including the 2016A/B Bonds) and \$482 million in future Subordinated Indebtedness.

Authority Funds. Authority funds, in the amount of \$160 million, will be funded from the Capital Expenditure Fund and Discretionary Fund.

Other Funds. Other funds totaling \$240 million consist primarily of pay-as-you-go rental car CFCs in the amount of \$124 million, which are expected to fund ground transportation improvements and a significant share of the south parking facility. It is also expected that the East Apron Fuel Farm (\$35.3 million) and hydrant fueling serving the STC (\$56 million) will include a component of a public-private partnership that may include the use of special facility debt backed a third party. The remaining \$20 million is expected to be funded by others for commercial development infrastructure.

PLAN OF FINANCE

2015A Bonds and Proposed 2016A/B Bonds

Exhibit A-1 shows the estimated sources and uses of funds of the 2016 Project and the associated sources of funding as provided by the Authority. The cost estimates include all soft costs and pricing allowances. The Authority plans to finance a portion of the 2016 Project with the proceeds of the (1) 2015A Bonds issued in September 2015 (which financed the ticket lobby improvements, Airside 4

improvements, and a portion of the cost for the Airside 1 & 3 APM train replacements) and (2) 2016A/B Bonds, which will finance the remaining costs of the Airside 1 & 3 APM train replacements, the costs of the South APM Complex, and the Loop Road Overlay.

Approximately 51% of the principal amount of the 2016A/B Bonds is assumed to be PFC-backed Bonds. For purposes of this report, Raymond James & Associates (Raymond James) developed projections of the plan of finance and associated debt service requirements for the 2016A/B Bonds as set forth in Table 24.

The Authority has financed portions of the costs of the 2016 Project on an interim basis using its Lines of Credit. The 2016A/B Bonds will provide proceeds to fund costs of the 2016 Project and/or repay draws on the Lines of Credit and their associated interest expense.

Potential Refundings

The Authority is also considering refunding all or a portion of the Authority's (1) Airport Facilities Revenue Bonds (AMT), Series 2009C and (2) Airport Facilities Revenue Bonds (AMT), Series 2010A (collectively, the Refunded Bonds) with a portion of the proceeds of the 2016B Bonds. Any potential savings from the refunding of the Refunded Bonds has not been incorporated into the financial forecasts accompanying this report. In addition, the Authority is considering refunding the 2007A Bonds with a bank loan in early 2017 to achieve savings and smooth overall aggregate debt service, the effects of which have also not been incorporated into the financial forecasts for purposes of this report.

Proposed Other Future Indebtedness

Exhibit A-2 shows the estimated costs and expected sources and uses of funds of the STC as well as the associated sources of funding as provided by the Authority. Regarding the financing of the STC, Raymond James assumed that the Authority would issue Additional Bonds in each of April 2017 and October 2018 and 2019 to finance construction of the STC. In addition, it was assumed that the Additional Bonds to fund the Other Master Plan Projects would be issued in October 2019. Collectively, these are referred to as the Other Future Bonds.

The specific form, amount, and timing of debt to finance these improvements have not been determined at this time. Although the Authority would consider various financing options, regarding the STC financings, for purposes of this report, Raymond James assumed that there would be two transactions with the first PFC-backed issue occurring in April 2017 to fund PFC project costs through September 30, 2018 and a second PFC-backed issue in October 2018 to fund the balance of the PFC eligible costs of the STC.* For the non-PFC backed project costs, Raymond James assumed three transactions occurring in each of April 2017, October 2018, and October 2019. All three of these transactions are assumed to be structured such that 50% of the projected expenditures would be financed with Bonds and 50% with Subordinated Indebtedness. Other assumptions made by Raymond James regarding the structuring of the STC debt are presented in Table 23.

Financing Assumptions

Interest rate and debt structuring assumptions for the 2016A/B Bonds and Other Future Indebtedness were developed by Raymond James as set forth in Table 23.

*There are more PFC-eligible costs associated with the STC than are being shown in the plan of finance because there is not enough PFC capacity to fund all of the PFC-eligible costs associated with the STC.

Table 23
BOND FINANCING ASSUMPTIONS
Greater Orlando Aviation Authority

Issuance Date	Non-PFC/Senior	Non-PFC/ Subordinate	PFC-Backed/Senior
October 2016			
Term	30 years	N/A	30 years
Interest Rate	Non-AMT and AMT Market Spread to MMD as of 8/1/2016, plus 75 bps (4.11%)	N/A	AMT Market Spread to MMD as of 8/1/2016, plus 75 bps (4.10%)
Capitalized Interest Period	Various ¹	N/A	None
Debt Structure	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2019 ▪ No Principal 10/1/2028²	N/A	Level Debt Service
April 2017			
Term	35 years	35 years	30 years
Interest Rate	AMT Market Spread to MMD as of 8/1/2016, plus 100 bps (4.37%)	Subordinate AMT Market Spread to MMD as of 8/1/2016, plus 100 bps (4.42%)	AMT Market Spread to MMD as of 8/1/2016, plus 100 bps (4.22%)
Capitalized Interest Period	Through 9/30/2019	Through 9/30/2019	None
Debt Structure	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023 ▪ No Principal 10/1/2028²	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023 ▪ No Principal 10/1/2028²	Level Debt Service
October 2018			
Term	35 years	35 years	30 years
Interest Rate	AMT Market Spread to 15-year average of MMD as of 8/1/2016 (4.90%)	Subordinate AMT Market Spread to 15-year average of MMD as of 8/1/2016 (5.00%)	AMT Market Spread to 15-year average of MMD as of 8/1/2016 (4.79%)
Capitalized Interest Period	Through 9/30/2019	Through 9/30/2019	None
Debt Structure	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023 ▪ Partial Principal reduction 10/1/2028²	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023 ▪ Partial Principal reduction 10/1/2028²	Level Debt Service
October 2019			
Term	35 years	35 years	N/A
Interest Rate	AMT Market Spread to 15-year average of MMD as of 8/1/2016 (4.89%)	Subordinate AMT Market Spread to 15-year average of MMD as of 8/1/2016 (4.99%)	N/A
Capitalized Interest Period	Through 9/30/2019	Through 9/30/2019	N/A
Debt Structure	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023	▪ Level Debt Service ▪ Principal Amortization starting 10/1/2023	N/A

¹ Interest on the Non-PFC/Senior October 2016 issue is capitalized as follows: 1) through 8/1/2017 for the South APM portion, through 3/1/2018 for the Airside 1 & 3 portion and through 12/29/2017 for the Loop Road portion.

² Principal deferred or reduced to address shape of overall debt profile.

Source: Raymond James, one of the Authority's independent municipal advisors. Interest rates are all-in true interest cost.

DEBT SERVICE REQUIREMENTS

Exhibit C shows historical, estimated, and forecast Debt Service on the Authority's Outstanding Bonds, the 2016A/B Bonds, the Other Future Bonds, and Subordinated Indebtedness. Estimated Debt Service requirements for the proposed 2016A/B Bonds and the Other Future Indebtedness were provided by Raymond James, except for the potential FDOT loan repayment, which is set forth in the JPA between the Authority and FDOT.

PASSENGER FACILITY CHARGES

Exhibit B presents historical, estimated, and forecast PFC collections, interest earnings, and the application of PFCs to pay debt service and pay-as-you-go project costs. It was assumed that the Authority's existing \$4.50 per enplaned passenger PFC level would remain constant (at the \$4.50 level) throughout the forecast period (through FY 2023). As noted earlier, under existing PFC approvals, the Authority's current collection authority is expected to decline from \$4.50 per eligible enplaned passenger to \$3.00 in FY 2022. However, the Authority expects to amend and blend its existing PFC applications and submit a new application for the STC (at the \$4.50 level) to maintain a collection level of \$4.50 per enplaned passenger throughout the forecast period.

Existing PFC-use approval is reflected in Exhibit B, including the authorization to use PFC revenues to (1) pay a portion of the debt service attributable to Outstanding Bonds (Series 2009C Bonds, Series 2010A/B Bonds, Series 2011A/B/C/D Bonds, Series 2012A Bonds, 2015 Bonds), the 2016A/B Bonds, and the Other Future Bonds as well as for approved and projected pay-as-you-go PFC expenditures.

Portions of the 2016A/B Bonds and Other Future Bonds, when issued, will be designated as issued to finance portions of eligible project costs constituting a PFC project.

OPERATION AND MAINTENANCE EXPENSES

Exhibit D presents historical and forecast Operation and Maintenance Expenses (O&M Expenses) of the Airport for direct and indirect expenses and by cost center for FY 2014 through FY 2023. Historical O&M Expenses were obtained from the Authority's records and reconciled to the audited financial statements. O&M Expenses for FY 2016 are based on the Authority's budget and for FY 2017 on the Authority's preliminary budget.

Individual components of O&M Expenses were forecast taking into account the FY 2017 budget; assumed increases in the unit costs of labor, services, utilities, and supplies as a result of price inflation; and additional costs associated the South APM Complex and the ITF (\$11 million per year starting in August 2017) and the STC (\$49 million per year starting in FY 2020) as provided by the Authority's construction finance engineer. Such additional O&M Expenses are shown as "Incremental Expenses (for new facilities)" on Exhibit D.

The unit costs of salaries, wages, fringe benefits, materials, supplies, and services were assumed to increase an average of 3.0% per year from the preliminary FY 2017 budget of O&M Expenses.

The annual required contribution for pensions as determined by the Authority's actuarial consultant is included in O&M Expenses on an annual basis.

REVENUES

Exhibit E presents historical and forecast Revenues by type of revenue for FY 2014 through FY 2023. Historical Revenues were obtained from the Authority's records and reconciled to the audited financial statements.

Individual components of Revenues were forecast taking into account actual financial results for FY 2014 and FY 2015, the FY 2016 budget (as adjusted for expected concession revenues instead of minimum annual guarantees used for budgeting purposes and projected enplanement levels), allowances for inflation as appropriate (at 1.0% per year), and the provisions of leases and agreements between the Authority and the various tenants and users of the Airports. Revenues from sources related to passengers, such as concession revenues, are forecast to increase as a function of forecast passenger traffic as described in the "Forecast Airline Traffic" section of this report. The assumptions underlying the increases in individual components of Revenues are described in the following sections.

Table 24 presents a summary of Revenues by source for FY 2015.

Table 24 FY 2015 REVENUES BY SOURCE Orlando International Airport (in thousands)			
	<u>Amount</u>	<u>Percent of Operating Revenues</u>	<u>Percent of Total Revenues</u>
Airline Revenues	\$ 146,648	34.3%	32.5%
Non-airline Revenues			
Terminal Area Rents - Nonairline	\$ 9,527	2.2%	2.1%
Advertising	2,876	0.7%	0.6%
Food and Beverage	19,526	4.6%	4.3%
Merchandise and Services	29,409	6.9%	6.5%
Parking Facilities (on and off Airport)	54,566	12.7%	12.1%
Car Rentals	91,835	21.5%	20.4%
Commercial Lane	10,881	2.5%	2.4%
Other Buildings and Grounds	14,241	3.3%	3.2%
Hotel	39,897	9.3%	8.9%
Other Operating Revenue	<u>8,641</u>	<u>2.0%</u>	<u>1.9%</u>
Subtotal - Non-airline Revenues	<u>\$ 281,399</u>	<u>65.7%</u>	62.4%
Total Operating Revenues	\$ 428,046	100.0%	
Non Operating Revenues			
Available PFC Revenues ²	\$ 20,362		4.5%
Interest Earnings and Other	<u>2,292</u>		<u>0.5%</u>
	<u>22,654</u>		<u>5.0%</u>
Total Revenues	\$ 450,701		100.0%
Source: Greater Orlando Aviation Authority.			

Airline Revenues

Airline revenues represented 32.5% of Revenues of the Airport in FY 2015.

Landing Fees. Under the Rate Methodology, the Authority calculates landing fee rates according to a cost center residual methodology to recover all Airfield costs net of Airfield revenues generated from users other than airline landing fees.

As shown in Exhibit E-1, the Airfield Requirement consists of allocable direct and indirect O&M Expenses (and O&M Reserve Requirement), Debt Service (net of Available PFC Revenues), and amortization. The Airfield Requirement is then credited with fuel system revenues and other revenues assigned to Airfield Cost Center (excluding Airline Landing Fees) to yield the Net Airfield Requirement. The Net Airfield Requirement is divided by the landed weight of the passenger and cargo airlines to determine the Landing Fee Rate.

Apron Use Fees. As shown in Exhibit E-1, the Terminal Apron Requirement consists of allocable direct and indirect O&M Expenses (and O&M Reserve Requirement), Debt Service (net of Available PFC Revenues), and amortization. The Terminal Apron Requirement is then credited with the Terminal Apron Requirement Allocable to Remote RON Area to yield the Terminal Apron Requirement Allocable to Gates, which is divided by the number of Gates to determine the Average Terminal Apron Rate per Gate.

Terminal Rentals. The Terminal Premises Rate is established under a commercial compensatory ratemaking methodology where rental rates are calculated to recover the average cost of each square foot of Rentable Space in the Terminal Cost Center.

Airlines that sign LOAs pay for their designated exclusive and preferential use areas based on the amount of space assigned and the Terminal Rental Rate. All terminal space other than Exclusive or Preferential Use Premises that is not assigned for exclusive or preferential use under an LOA is available on a common use basis as assigned by the Authority, and is charged to the airlines on a per turn fee or other activity basis. In addition, all gates are charged the same rate regardless of the number of square feet allocated to such gate/holdroom.

Table 25 shows the number of aircraft gates assigned to the Participating Airlines at the Airport as of August 2016. As shown, 68 gates are currently assigned to the Participating Airlines and the balance is available to be used on a common use, per-turn fee basis. It was assumed that the number of gates assigned to the Participating Airlines would increase from the current 68 to 70 in FY 2017 (based upon discussions with the airlines), 71, in FY 2018, 72 in FY 2019, and 75 in FY 2020 upon the expected opening of the STC.

Table 25
NUMBER OF AIRCRAFT AIRLINE GATES
Orlando International Airport
(as of August 2016)

Assigned Under Letters of Authorization	
Aero Mexico	1
Air Canada	1
American Airlines	8
British Airways	1
Copa	1
Delta Air Lines	8
Frontier	3
jetBlue Airways	9
Silver	1
Southwest Airlines	20
Spirit Airlines	4
United Airlines	9
Virgin Atlantic	1
Westjet	<u>1</u>
Total Preferential Use Gates	<u>68</u>
Authority Gates (Common Use)	<u>25</u>
Total	93

Source: Greater Orlando Aviation Authority.

As shown in Exhibit E-2, the Terminal Requirement is computed by summing allocable direct and indirect O&M Expenses (and O&M Reserve Requirement), Debt Service (net of Available PFC Revenues), and amortization. From this amount, the FIS Requirement, the Airline Equipment Requirement, Baggage System Operating Expenditures, and Miscellaneous Direct Reimbursements are deducted to yield a Net Terminal Requirement, which is then divided by total Rentable Space to yield the Terminal Premises Rate.

The purpose of calculating the FIS Requirement is to allocate to the FIS facilities their proportionate share of the costs in the Terminal Cost Center that are common to FIS and non-FIS space plus all the costs that are specific to the FIS facilities so that these costs are not included in the net Terminal Requirement and are borne only by the airlines using the FIS facilities and by the Authority. The Authority charges a market rate for use of the FIS equal to \$3.00 for each arriving international passenger using the FIS. Effective October 1, 2016, the FIS fee will increase to \$3.65. At this time, the Authority has no additional plans to change the FY 2017 rate during the forecast period. When the STC opens in FY 2020, the existing FIS on Airside 1 of the NTC will be decommissioned and repurposed for another use. The cost of this renovation is included in the CIP.

Airline Equipment Charge. The Airline Equipment Charge is computed by summing direct and indirect O&M Expenses (and O&M Reserve Requirement), Debt Service (net of Available PFC Revenues), and amortization allocable to Airline Equipment and dividing by Total Operational Gates With Airline Equipment to yield the Airline Equipment Charge per Gate.

Baggage System Fees. Common Use Baggage Charges are charged for use of the Inbound Baggage System and the Outbound Baggage System. Inbound and Outbound bag system requirements consist of space rentals and O&M Expenses associated with each system.

Inbound and Outbound baggage system fees are established to recover space rentals and O&M Expenses associated with each system. The Inbound Baggage System Rental Requirement (baggage claim, bag drop-off space, and 50% of the tug drive) is equal to the inbound baggage requirement times a factor corresponding to the difference between the capacity of the terminals (assuming 45 MAP for the NTC plus 8 MAP for Phase 1 of the STC) and the projected volume of passengers in the Fiscal Year. The amount is allocated among airlines based on such airlines' relative deplaned passengers. The Outbound Baggage System Rental Requirement (in-line baggage handling system and 50% of the tug road) is allocated among airlines based on such airlines' relative enplaned passengers. The Authority has proposed allocating the baggage system fees on the basis of checked bags instead of passengers when it has a reasonable degree of reliability to count total bags by airline processed through both the Inbound Baggage System and Outbound Baggage System, but no earlier than October 1, 2017.

Common Use Fees. Airlines that use space in the Terminal that has not been assigned to them for use on an exclusive or preferential use basis will be charged a per turn fee or per hour fee depending on the type of facilities and equipment used. Per turn fees are based on four turns per gate per day, which is the approximate Airport-wide average. Common use Facility Fees are forecast to increase in proportion to the increase in passengers with a discount in FY 2020 when the STC opens reflecting the assumed leasing of three additional gates.

Airline Payments per Enplaned Passenger. Exhibit E-3 presents historical and forecast airline payments per enplaned passenger from FY 2016 through FY 2023 after taking into consideration revenue sharing payments as set forth in the Rate and Revenue Sharing Agreements.

Non-Airline Revenues

The principal sources of non-airline revenues include rental car revenues, automobile parking revenues, terminal concession revenues, hotel revenues, non-airline terminal space rents, cargo, fuel system revenues, land and building rentals, interest income, Available PFC Revenues (until the Consent Effective Date), and miscellaneous other revenues. Forecasts of non-airline revenues are based on the provisions of existing agreements and allowances for inflation, forecast increases in enplaned passengers, and other factors.

Rental Cars. Rental car revenues are the second largest source of Revenues after airline rates and charges, accounting for \$92 million in FY 2015, equal to approximately 20% of total Revenues (excluding CFCs, which are not part of Revenues). MCO is the second largest rental car market in the U.S. in terms of revenues after Los Angeles International Airport.

Enterprise Holdings, LLC, including Enterprise, Alamo, and National is the largest rental car company operating at the Airport, accounting for 40% of total gross rental car revenues generated in FY 2015. Avis/Budget accounted for 23% of total gross rental car revenues, Hertz for 17%, Dollar/Thrifty for 15%, and Advantage/EZ for 5%.

In 2008, the Authority approved four rental car concession agreements (Automobile Rental Concession Agreement) with (1) Avis Budget Car Rental, LLC (Avis and Budget brands, currently called Avis Budget Group), (2) DTG Operations, Inc. (Dollar and Thrifty brands), (3) EAN-Orlando, LLC (Enterprise, Alamo and National brands, currently called Enterprise Holdings), and (4) The Hertz

Corporation (Hertz brand) that became effective April 1, 2010 with the opening of expanded facilities at the Airport that allowed the companies to streamline processing for rental car customers. There is a fifth agreement with Advantage Opco, LLC (Advantage and EZ Rent A Car brands), which has essentially the same terms as the other agreements. The five agreements, as amended, are in effect until March 31, 2020. The expanded facilities and new agreements allowed the previous onsite brands (Avis, Budget, Dollar, Alamo and National) to team with some of the previous offsite brands (Thrifty, Enterprise, Hertz, and Advantage) to maintain vehicles and operations on Airport property. The Authority estimates that the on-Airport rental car operators serve approximately 95% of rental car customers and will have facilities to accommodate the higher demand projected in the future.

Under the Automobile Rental Concession Agreement, the companies pay (1) 10% of gross receipts (which applies to both on- and off-Airport companies, however onsite operators must pay the greater of 10% of gross receipts or a minimum annual guarantee, (2) ready/return space rent on a per space basis, (3) QTA rent, and (4) rent for terminal counters, office, and queuing space leased at the airline Terminal Premises Rate. In addition, rental car companies pay for all operating, utility, maintenance, and service management expenses. Following the full recovery of the cost of the 2009 rental car project (project costs and debt service), the Authority is permitted to increase QTA rent to fair market value for land and improvements. This potential increase in QTA rent has not been reflected in the financial projections. These rental car revenues are Revenues as defined in the Senior Bond Resolution.

The companies also collect and remit CFCs to the Authority, which are currently not part of Revenues, while the CFC Bonds are outstanding. When the CFC Bonds mature on October 1, 2017, and any other indebtedness or other amounts payable from CFCs have been paid, CFCs will then be included in Revenues and will be available to the Authority for any lawful purpose. However, under the Consent Amendments, CFCs would be excluded from Revenues except to the extent that the Authority designates all or a portion of them in a Supplemental Resolution as Available CFC Revenues. Because the Consent Amendments are expected to become effective in FY 2018, CFC revenues are not forecast to become Revenues during the forecast period.

Rental car concession revenues are forecast to increase in proportion to forecast increases in O&D passengers and with inflation. Other rental car fees are forecast to increase in accordance with the escalators for ready/return spaces and Class II space rental rates included in the respective rental car agreements.

Automobile Parking Revenues. Public automobile parking is the third highest source of revenue at the Airport, accounting for \$55 million in FY 2015, equal to approximately 12% of Revenues.

As shown on Table 26, parking facilities located on the Airport provide 20,310 public automobile parking spaces. The Authority offers three parking products: (1) garage parking located above or adjacent and connected to the landside terminal (\$17 per day), (2) curbside valet parking (\$25 per day), and (3) economy parking located at remote lots less than one mile from the Terminal (\$10 per day). When the 2,400 space south garage opens in FY 2017, the Authority intends to charge \$13 per day for parking in the south garage and to raise the economy parking rate to \$11 per day. When the STC opens in FY 2020, the Authority intends to raise the garage rate to \$18 per day for both the NTC and STC.

Table 26
PUBLIC PARKING FACILITIES – LOCATION AND CAPACITY
Orlando International Airport
(as of July 2016)

Facility	Location	Current Capacity
Garage		
Terminal A	Adjacent to Terminal-A (North)	3,705
Terminal B	Adjacent to Terminal-B (South)	3,595
Terminal Top	Above Landside Terminal (Levels 4-10)	<u>1,649</u>
Garage Total		8,949
Economy		
North Park Place (Blue Lot)	North of Landside Terminal	3,480
Gold Lot (west) (a)	Northwest of Landside Terminal	3,100
South Park Place (Red Lot)	South of Landside Terminal	<u>4,781</u>
Economy Total		11,361
Public Parking Total		20,310

(a) Only open if other lots are full.

Source: Greater Orlando Aviation Authority.

The public automobile parking facilities at the Airport are operated for the Authority under a management agreement with ABM Parking Services, Inc. (formerly Ampco System Parking). Under the agreement, the Authority receives all revenues and pays most of the costs to operate and maintain the facilities plus a management fee to ABM. All other operational costs are included in the management fee. The budget for operating expenses is subject to review by the Authority, which can adjust staffing levels and related costs in response to parking demand and level of service standards. ABM has been operating under a management agreement with the Authority since 2007 and in June 2012 a new contract was awarded to ABM. The new ABM agreement became effective October 1, 2012, and extends three years with two one-year options to renew.

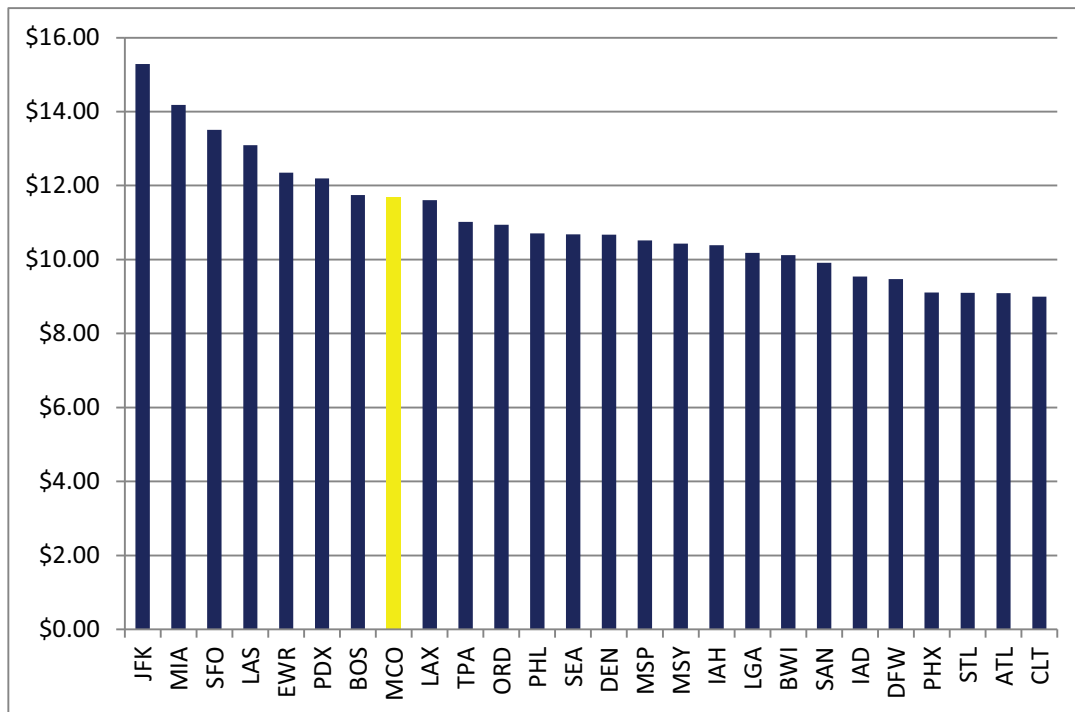
In addition to the public parking spaces, parking revenues are generated from private parking, Hyatt parking (approximately \$1 million in FY 2015), and employee parking (approximately \$4.3 million in FY 2015). Approximately 15 off-Airport private parking facilities serve Airport passengers and provide approximately 10,000 additional automobile parking spaces.

The Authority believes that with the planned opening of the 2,400 space south garage in FY 2017 and the additional 2,500 spaces to be constructed as part of the STC, it will have adequate capacity to serve projected demand through the forecast period and that off-airport competition will not adversely affect parking revenues.

Parking revenues are forecast as a function of the forecast increase in O&D passengers with rate increases factored into the forecast as discussed above. The current daily rate is \$17 for the garages, \$10 for economy, and \$23 for valet. The expected rate for the South APM Complex garage is \$13 per day.

Terminal Concessions. The sources of terminal concession revenues are food and beverage, specialty, news and gift, and other service concessions. The Authority operates one of the most successful terminal concession programs in the nation as illustrated by Figure 22, which shows terminal concession sales per enplaned passenger for 24 of the 31 large hub U.S. airports in 2015 as reported by Airport Revenue News (excluding duty free sales). Concessions occupy approximately 214,000 square feet (excluding storage and offices) of a total of approximately 3.5 million square feet of terminal space at the Airport.

Figure 22
TERMINAL CONCESSION SALES PER ENPLANED PASSENGER – 2015
 Large Hub U.S. Airports



Source: Airport Revenue News, _2016. Data was not available for all 31 large hubs.

The Authority has a written policy statement regarding the awarding of concession and consumer service privileges in the terminal. In accordance with this policy, the Authority specifies performance and operating standards in its agreements with concessionaires in furtherance of its public service and revenue goals. Table 27 presents a summary of the contractual terms of existing terminal commercial agreements. Terminal concession revenues were forecast on the basis of historical trends, allowances for inflation, minimum annual guarantees, changes in contractual agreements, and changes in passenger traffic levels.

Table 27
SUMMARY OF EXISTING TERMINAL COMMERCIAL AGREEMENTS
Orlando International Airport
(as of July 2016)

Type of Concession/Concessionaire	Terminal Location	Min Annual Guarantee ⁽¹⁾	Expiration Date
Food & Beverage			
Areas Hojeij	AS 3	\$2,200,000	07/31/2024
Cask & Larder	AS 2	\$3,250,000	05/31/2026
Ida Mae, Inc. (McDonald's)	LS	\$ 980,000	02/01/2026
HMSHost	LS, AS 1, AS 4	\$7,768,942	09/30/2019
HMSHost (Starbucks)	AS 2	\$ 803,000	01/31/2023
McDonald's Corporation	LS	\$ 627,471	09/30/2019
OTG MCO Venture II, LLC	AS 4	\$1,051,101	09/09/2017
Perez of Florida, Inc.	AS 1 & 3	\$ 408,657	08/02/2017
Perez of Florida, Inc.	AS 3	\$ 181,816	03/31/2017
Panchos/Transglobal Concessions Orl, JV	AS 2 & 4	\$ 272,000	05/04/2019
SSP America MCO, LLC	AS 1 & 3	\$2,520,000	10/31/2022
TAJ II LLC	AS 2	\$1,300,999	07/26/2017
Villa	AS 2	\$3,030,000	02/21/2026
Retail News/Sundries/Gifts/Duty Free			
The DFASS Group, LLC (Duty Free)	AS 1 & AS 4	\$5,264,730	11/03/2022
HG Orlando JV	AS 1	\$ 806,612	01/31/2017
Hudson Group, Inc.	AS 3	\$1,050,000	01/31/2019
Hudson Newburns JV	AS 2 & LS West	\$2,843,045	12/16/2017
Stellar Partners, Inc.	AS 4 & LS East	\$1,700,000	10/31/2017
Westfield (Master Developer)	LS	\$1,360,176	12/31/2022
Specialty Retail			
Airport Management	LS	\$ 305,000	12/31/2016
Air Sun JV	AS 2	\$ 160,000	08/02/2022
Hudson Keys JV	AS 1	\$ 488,002	07/06/2016 ⁽²⁾
Hudson Orlando JV	AS 3	\$ 413,100	06/14/2016 ⁽²⁾
InMotion MCO, LLC	AS 2, 3 & 4	\$ 420,000	12/31/2019
GOAA RMUs	AS 1, 2, 3 & 4	\$ 250,000	01/31/2017
Theme Retail			
DNC Parks & Resorts (KSC)	LS East	\$ 125,007	04/30/2020
DNC Parks & Resorts (KSC)	LS West	\$ 166,000	04/30/2020
Disney Earport	LS East	\$1,200,000	09/30/2022
Disney Magic	LS West	\$ 880,000	09/30/2022
Sea World East	LS East	\$ 200,000	12/31/2022
Sea World West	LS West	\$ 125,000	12/31/2022
Universal Studios	LS East	\$ 404,955	03/31/2023
Universal Studios	LS West	\$ 379,654	03/31/2023
Services			
ALD Development Corporation	AS 1 & 4	\$ 175,000	10/31/2022
Communication Service Co of Daytona	LS	\$ 45,000	12/31/2017
CNN (AC Holdings, Inc.)	Various	\$ 150,000	10/04/2020
DAS (Telecommunications)	LS	\$ 281,420	12/31/2016
Interchange US, LLC	LS	\$ 355,000	01/31/2018
JC Decaux Display Advertising	Various	\$2,900,000	01/14/2023
New Look Shoeshine Corp.	LS & AS 4	\$ 7,500	07/31/2020
SmarteCarte	Various	\$ 575,000	03/31/2019
SunTrust Bank	Various	\$ 418,672	05/05/2017
Terminal Getaway Spa	AS 2	\$ 70,000	11/01/2018
XpresSpa Orlando	AS 1 & 3	\$ 212,000	08/31/2018
XpresSpa Orlando	AS 4	\$ 100,000	05/31/2018

1. Represents minimum annual guarantee for each individual concession agreement's annual agreement period as amended.

2. Agreements currently under negotiation for extension.

Source: Greater Orlando Aviation Authority.

Concession Extension Program. In June 2016, the Authority decided to offer terminal concessionaires whose leases are scheduled to expire between January 1, 2017 and December 31, 2022 the opportunity to extend the term of their leases by either (1) three years subject to a one-time payment of 25% of the current minimum annual guarantee (MAG) or (2) five years subject to the payment of 50% of the current MAG. The Authority decided to make this offer because during that 5-year period the north terminal is expected to be experiencing passenger levels approaching its design limit, and combined with all the construction in the north terminal to increase capacity, there will be temporary closures as well as reconstruction and reconfiguration of concession space. The Authority believes that these conditions will affect its ability to provide a high level of customer service and disrupt the flow of concession revenues. The Authority designed this Concession Extension Program to mitigate these conditions. Each concessionaire that chooses to extend its agreement would be subject to a review by the Executive Director for a required refurbishment, re-branding, or change in concept. Of the 25 eligible concession contracts, five have signed up for the five-year extension to date. It was assumed for purposes of the financial projections that all of the remaining eligible terminal concessionaires would opt to extend for the three-year period. Revenue will be recognized over the term of the extension period.

Food and Beverage. HMSHost has the non-exclusive right to operate food and beverage facilities in the Landside Terminal and the hubs in Airside Buildings 1 and 4, subject to an agreement expiring on September 30, 2019. The agreement provides for the greater of a minimum annual guarantee or concession fees based on a percentage of gross sales. HMSHost operates a mix of branded-food outlets, including Starbucks.

The Authority has also entered into various other food and beverage concession agreements for operations in the hubs at Airside Buildings 2 and 3 as well as concourse wings in Airsides 1, 2, 3, and 4. These agreements provide for a concession fee equal to the greater of a percentage of gross receipts or a minimum annual guarantee.

The food court in the Landside Terminal houses a wide variety of food and beverage concessionaires, including Carvel, Chick-fil-A, Dunkin Donuts, Krispy Kreme, Moe's Southwest Grill, McDonalds, Panda Express, Quiznos, and Sbarro. Adjacent to the food court are sit-down restaurants and lounges, including Macaroni Grill, Chili's Too, and Home Team Sports. In addition, SSP America has been awarded a seven-year contract to develop and manage four new snack bars, including UrbanCrave, Le Grand Comptoir, and Camden Food co. in Airsides 1 and 3 and Villa Enterprise Management has been awarded a 10 year contract to develop a food court in Airside 2, including The Market by Villa, Green Leaf's, Banana Smoothies and Frozen Yogurt, Jersey Mike's Subs, Villa Italian Kitchen, Asian Chao, and Chipotle concepts.

Specialty and News/Gift. Themed retail concessions are a major component of the Authority's retail program, including Disney, Universal Studios, Kennedy Space Center, and Sea World themed retail shops in the Landside Terminal. Westfield operates as a third-party developer for the Authority's landside retail program and has since entered into agreements with various branded outlets. The Authority has executed agreements with the Hudson Group and Stellar Partners for news, sundry, and gift services.

Other Terminal Concessions. The Authority has an agreement with DFASS to sell duty free merchandise, which extends through 2022. Their Airside 4 store is heavily focused on European travelers, particularly from the UK, and their Airside 1 store serves more Latin American passengers. The stores offer special products and promotions that appeal to the different passenger groups. Other revenues consist of concession fees paid for advertising, currency exchange, luggage carts, and other

services. Each concessionaire has an agreement with the Authority that establishes the rents and fees, which usually amount to the greater of a minimum annual guarantee or a percentage of gross sales.

The revenues from terminal concessions are forecast on the basis of recent trends in revenues per enplaned passenger, forecast increases in passengers, allowances for inflation, and the terms of the various agreements.

Ground Transportation. Ground transportation revenues consist of privilege fees paid by taxis and privilege fees and dwell fees paid by commercial lane vehicles including hotel shuttles, rental car shuttles, off-airport parking shuttles, cruise line shuttles, and various other types of ground transportation companies. These revenues are forecast to increase with passengers.

Under the All Aboard Florida Premises Lease and Use Agreement, AAF will pay the Authority for its use of the ITF, including holdroom rent at \$73.58 per square foot and platform rent at \$3.00 per square foot for the first five years after the commencement of service. These rates are subject to readjustment each five years thereafter. AAF will also pay the Authority \$1.00 per boarding rail passenger from the ITF until the STC opens, at which time the rate increases to \$1.50 per boarding passenger. Ridership estimates were developed by The Louis Berger Group, Inc. (LBG) under a ridership and revenue study commissioned by Florida East Coast Industries, LLC for financing of the rail system. The Authority's construction finance engineer provided more conservative estimates used for purposes of this report during the start-up period (i.e., during the initial three years). The Authority anticipates that AAF's Vehicle Maintenance Facility rent will be offset by its investments for the rail corridor as provided in the Premises Lease and Use Agreement. As noted earlier, AAF has stated that it expects to commence service to the Airport in mid-2018. Accordingly, for purposes of this report, it was assumed that AAF would commence operations in April 2018 (halfway through FY 2018) and begin paying associated revenues to the Authority.

The Authority also anticipates receiving revenues from the ITF for advertising displays (estimated to total \$100,000 per year), concessions (estimated at \$0.22 per boarding rail passenger), and rail passengers parking at the south garage. The Authority's construction finance engineer estimates that 25% of the rail passengers will park in the garage and stay an average of 1.5 days.

Hotel. The hotel is an integral part of the landside terminal in the NTC and is directly accessible from Level 3, the departure level. The hotel, which is operated under the Hyatt Regency brand, provides 445 guest rooms; The Hemisphere restaurant and McCoy's Bar and Grill; 42,000 square feet of meeting space; four ballrooms totaling 24,650 square feet; and a 160-seat amphitheater with state-of-the-art sound and audio visual capabilities; and outdoor pool and European spa with sundeck and exercise room.

The Hyatt Corporation has operated the hotel since its opening in 1992 under a management agreement with the Authority. The Authority recently approved a new Hotel Management Agreement with the Hyatt Corporation, effective October 1, 2015, that has a 20-year term with more favorable terms for the Authority. Under the management agreement, the Authority receives all revenues from the operation of the Hotel and pays all debt service, operating, and maintenance cost associated with its operation. In addition, the Authority annually pays Hyatt a percentage of gross receipts as a management fee of 2.75% and pays an additional percentage of available cash flow (10%) above agreed upon amounts as an incentive for the Hotel operator to maximize the Hotel's surplus revenues. The agreement also provides that amounts, calculated as 5% of gross receipts, are to be deposited annually into an account for the replacement of furniture, fixtures, and equipment. In addition, the new agreement contains performance tests, which if failed for two consecutive years, the Authority can either terminate the agreement or require Hyatt to pay a cure amount.

Hotel revenues are forecast to increase as a result of increasing occupancy levels and room rate increases.

Other Buildings and Grounds. As noted earlier, the Authority has pursued aviation and commercial development of the Tradeport Drive corridor on the west side of the Airport and the Heintzelman Boulevard corridor on the east side of the Airport. Other buildings and grounds revenues consist primarily of revenues from various land and building rentals in these areas.

Interest Income. Interest income, per Section 603 of the Senior Bond Resolution, is deposited into the Revenue Fund. Interest income is a function of interest rates and available balances in operating funds and accounts including the Revenue Fund, Debt Service Account, Debt Service Reserve Account, Operation and Maintenance Fund, Operation and Maintenance Reserve Account, Capital Expenditures Fund, Renewal and Replacement Fund, Improvement and Development Fund, and the Discretionary Fund. Interest income does not include interest earnings on construction funds. The forecast assumes that interest rates in the Debt Service Reserve Fund will average 1.35% and in all other funds will average 0.25% from FY 2016 through FY 2023, and that balances would increase in the Debt Service and the Debt Service Reserve Funds (reflecting the Outstanding Bonds, the 2016A/B Bonds, and Future Bonds) and the Operation and Maintenance Reserve Account (reflecting increases in Operation and Maintenance Expenses). Interest income totaled \$2.3 million in FY 2015.

Available PFC Revenues. The Authority, subject to receipt of all necessary approvals, intends to use a portion of its PFC revenues to pay debt service on certain eligible costs as set forth on Exhibit C. Prior to the Consent Effective Date, an amount of PFC revenues equal to 1.25 times debt service on Bonds allocated by the Authority to finance PFC-eligible projects (Available PFC Revenues) will be classed as Revenues designated via a certificate of an Authorized officer of the Authority under the terms of the Senior Bond Resolution and will also serve to reduce the amount of the debt service when computing the Airfield and Terminal requirements under the terms of the Rate Resolution. Upon the Consent Effective Date to the Senior Bond Resolution expected to take place in FY 2018, the Authority intends to use PFC revenues to offset Debt Service instead of being included in Revenues.

APPLICATION OF REVENUES

Exhibit F presents the historical (FY 2015) and forecast (FY 2016 through FY 2023) application of Revenues, including Available PFC Revenues, as required under the Senior Bond Resolution. Under the Senior Bond Resolution, at the end of each Fiscal Year, after all deposits that are required to be made into each of the Revenue, Operation and Maintenance, Bond, O&M Reserve, Capital Expenditures, Renewal & Replacement, and Discretionary Funds have been made, the moneys remaining in the Revenue Fund and not required to make up any deficiencies, are to be transferred to the Discretionary Fund. At this time, the Authority has no plans to budget amounts for the Capital Expenditure Fund or Renewal and Replacement Fund. Upon the Consent Effective Date, payments for Secondary Subordinated Indebtedness move from the Discretionary Account to a new Secondary Subordinated Indebtedness Account after deposits to the Operation and Maintenance Reserve Account.

DEBT SERVICE COVERAGE

Exhibit G presents the calculation of debt service coverage in accordance with the Rate Covenant of Section 711 of the Senior Bond Resolution and Section 10.01 of the Subordinated Indenture for FY 2015 through FY 2023. Exhibit G reflects the revised treatment of Available PFC Revenues as an offset to Debt Service instead of inclusion in Revenues, and subordination of deposits to the O&M Reserve Account upon the Consent Effective Date estimated to occur in FY 2018.

The proposed Consent Amendments to the Senior Bond Resolution also permit the addition of Transfers to Net Revenues in computing the debt service coverage requirement. Transfers are limited to no more than 25% of Debt Service payable on Bonds and no more than 10% of Aggregate Annual Debt Service payable on Priority Subordinated Indebtedness in the Fiscal Year from amounts on deposit in the Discretionary Fund. Transfers are not included in the calculation of debt service on Exhibit G.

Net Revenues are forecast to be at least 125% of the Aggregate Debt Service (on senior Bonds) and Available Net Revenues are forecast to be at least equal to 110% of Priority Subordinated Indebtedness in each of the Fiscal Years 2016 through 2023 and sufficient to pay all indebtedness, deposits, and liens. Thus, the Rate Covenant of both the Senior Bond Resolution and Subordinated Indenture are forecast to be met in each Fiscal Year of the forecast period.

Exhibit A-1

Sources and Uses of Bond Funds - 2016 Project Orlando International Airport (numbers in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Series 2015A Bonds			Series 2016A/B Bonds*					
	GARB	PFC-Supported	Subtotal	GARB	PFC-Supported	Subtotal	Total Bonds	Other Funds	Total
Sources Of Funds									
Par Amount of Bonds	\$ 68,980	\$ 145,470	\$ 214,450	\$ 95,505	\$ 100,625	\$ 196,130	\$ 410,580	\$ -	\$ 410,580
Premium	7,394	15,208	22,602	12,356	12,822	25,178	47,780	-	47,780
Prior Bonds	-	-	-	-	-	-	-	13,674	13,674
PFC Pay-As-You-Go	-	-	-	-	-	-	-	121,544	121,544
Authority Funds	-	-	-	-	-	-	-	78,168	78,168
Grants and Other Funds	-	-	-	-	-	-	-	158,379	158,379
Total Sources	\$ 76,374	\$ 160,678	\$ 237,052	\$ 107,861	\$ 113,447	\$ 221,308	\$ 458,360	\$ 371,765	\$ 830,126
Uses Of Funds									
Project Costs									
Ticket Lobby Improvements	\$ 18,000	\$ 67,294	\$ 85,294	\$ -	\$ -	\$ -	\$ 85,294	\$ 60,887	\$ 146,181
Airside 4 Improvements	20,390	90,233	110,623	-	-	-	110,623	18,377	129,000
Airsides 1 & 3 APMs	30,000	-	30,000	57,664	-	57,664	87,664	2,336	90,000
South Airport APM Complex	-	-	-	29,616	107,959	137,575	137,575	289,370	426,945
Loop Road	-	-	-	9,700	-	9,700	9,700	795	10,495
	\$ 68,390	\$ 157,527	\$ 225,917	\$ 96,980	\$ 107,959	\$ 204,938	\$ 430,856	\$ 371,765	\$ 802,621
Financing Costs									
Capitalized Interest Fund	7,172		\$ 7,172	5,673	-	\$ 5,673	\$ 12,845	\$ -	\$ 12,845
Debt Service Reserve Fund	-	-	-	3,285	3,461	6,746	6,746	-	6,746
Line of Credit Interest Reimbursement	85	1,634	1,719	487	513	1,000	2,719	-	2,719
Costs of Issuance and Underwriters Discount	727	1,517	2,244	1,436	1,514	2,950	5,194	-	5,194
Total Uses	\$ 76,374	\$ 160,678	\$ 237,052	\$ 107,861	\$ 113,447	\$ 221,308	\$ 458,360	\$ 371,765	\$ 830,125

Source: Raymond James, one of the Authority's independent registered municipal advisors.

* Estimated, subject to change.

Exhibit A-2

**Sources and Uses of Bond Funds - South Terminal Complex
Orlando International Airport
(numbers in thousands)**

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	GARB				PFC-Supported			Subordinate				Other	Total
	2017	2018	2019	Subtotal	2017	2018	Subtotal	2017	2018	2019	Subtotal	Funds	
Sources Of Funds													
Par Amount of Bonds	\$ 203,895	\$ 164,420	\$ 148,850	\$ 517,165	\$ 300,290	\$ 214,135	\$ 514,425	\$ 206,865	\$ 169,660	\$ 153,900	\$ 530,425	\$ -	\$ 1,562,015
Premium	21,777	4,717	4,446	30,940	33,744	8,566	42,310	20,239	4,453	4,212	28,905	-	102,155
Prior Bonds DSRF Release	-	-	-	-	-	-	-	-	-	-	-	-	-
PFC Pay-As-You-Go	-	-	-	-	-	-	-	-	-	-	-	159,000	159,000
Authority Funds	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000
Grants and Other Funds	-	-	-	-	-	-	-	-	-	-	-	105,698	105,698
Total Sources	\$ 225,672	\$ 169,137	\$ 153,296	\$ 548,105	\$ 334,034	\$ 222,701	\$ 556,735	\$ 227,104	\$ 174,113	\$ 158,112	\$ 559,330	\$ 314,698	\$ 1,978,867
Uses Of Funds													
Project Costs	<u>186,500</u>	<u>150,030</u>	<u>145,016</u>	<u>481,546</u>	<u>313,714</u>	<u>208,497</u>	<u>522,211</u>	<u>186,500</u>	<u>150,030</u>	<u>145,016</u>	<u>481,546</u>	<u>314,698</u>	<u>1,800,000</u>
	\$ 186,500	\$ 150,030	\$ 145,016	\$ 481,546	\$ 313,714	\$ 208,497	\$ 522,211	\$ 186,500	\$ 150,030	\$ 145,016	\$ 481,546	\$ 314,698	\$ 1,800,000
Financing Costs													
Capitalized Interest Fund	\$ 25,374	\$ 8,198	\$ -	\$ 33,572	\$ -	\$ -	\$ -	\$ 25,743	\$ 8,578	\$ -	\$ 34,321	-	\$ 67,893
Debt Service Reserve Fund	10,451	8,139	5,547	24,136	15,391	10,600	25,991	11,466	12,651	10,285	34,402	-	84,529
Line of Credit Interest Reimbursement	287	300	500	1,087	422	391	813	291	309	500	1,100	-	3,000
Costs of Issuance and Underwriters Discount	<u>3,062</u>	<u>2,470</u>	<u>2,234</u>	<u>7,765</u>	<u>4,506</u>	<u>3,214</u>	<u>7,720</u>	<u>3,104</u>	<u>2,545</u>	<u>2,311</u>	<u>7,961</u>	-	<u>23,445</u>
Total Uses	\$ 225,672	\$ 169,137	\$ 153,296	\$ 548,105	\$ 334,034	\$ 222,701	\$ 556,735	\$ 227,104	\$ 174,113	\$ 158,112	\$ 559,330	\$ 314,698	\$ 1,978,867

Source: Raymond James, one of the Authority's independent registered municipal advisors.

Note: This does not include debt contemplated for the 2019 Other Master Plan Projects. See text for description.

Exhibit B

Application of PFC Revenues Orlando International Airport (for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
PFC Revenues										
Enplaned Passengers	17,535	18,827	20,596	21,108	21,607	22,101	22,588	23,067	23,539	24,001
Percent of PFC Eligible Passengers	85.8%	89.7%	88.5%	88.5%	88.5%	88.5%	88.5%	88.5%	88.5%	88.5%
PFC Eligible Enplaned Passengers	15,051	16,887	18,227	18,681	19,123	19,559	19,990	20,415	20,832	21,241
PFC Collection Level	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50	\$ 4.50
Less: PFC Airline Collection Fee	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Net PFC Collection Level	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39
PFC Collections (excluding interest)	\$ 66,074	\$ 74,136	\$ 80,017	\$ 82,008	\$ 83,948	\$ 85,866	\$ 87,757	\$ 89,620	\$ 91,451	\$ 93,247
Interest Earnings	244	231	243	190	129	85	55	61	86	115
Total Annual PFC Revenues	\$ 66,318	\$ 74,367	\$ 80,261	\$ 82,198	\$ 84,077	\$ 85,951	\$ 87,812	\$ 89,681	\$ 91,538	\$ 93,362
Cumulative PFC Collections	\$ 1,061,186	\$ 1,135,552	\$ 1,215,813	\$ 1,298,011	\$ 1,382,088	\$ 1,468,039	\$ 1,555,851	\$ 1,645,532	\$ 1,737,070	\$ 1,830,432
PFC Cashflow										
PFC Fund Beginning Balance	\$ 131,061	\$ 183,140	\$ 229,587	\$ 205,777	\$ 133,875	\$ 97,605	\$ 54,285	\$ 44,127	\$ 65,074	\$ 89,722
Deposits:										
Annual PFC Revenues	66,318	74,367	80,261	82,198	84,077	85,951	87,812	89,681	91,538	93,362
PFC Coverage from Prior Year ¹	16,571	4,072	4,072	6,278	9,811	-	-	-	-	-
Withdrawals										
PAYGO - Projects not in 2016-2023 CIP	(10,452)	-	(5,000)	-	-	-	-	-	-	-
PAYGO - Projects in 2016-2023 CIP ²	-	(11,630)	(71,750)	(111,323)	(78,480)	(63,635)	(31,079)	(1,853)	-	-
Interim Financing Interest Expenses	-	-	-	-	-	-	-	-	-	-
Debt Service on PFC-Backed Bonds										
Outstanding Bonds	(16,287)	(16,290)	(16,297)	(16,289)	(16,291)	(16,361)	(16,355)	(16,353)	(16,359)	(16,361)
Series 2015	-	-	(8,817)	(9,308)	(9,306)	(9,306)	(9,310)	(9,310)	(9,307)	(9,307)
Series 2016A/B	-	-	-	(6,329)	(6,547)	(6,548)	(6,549)	(6,547)	(6,550)	(6,548)
Future STC Bonds 2017	-	-	-	(7,318)	(19,534)	(19,531)	(19,534)	(19,530)	(19,533)	(19,534)
Future STC Bonds 2018	-	-	-	-	-	(13,890)	(13,930)	(13,930)	(13,928)	(13,926)
Future Master Plan Projects	-	-	-	-	-	-	(1,213)	(1,213)	(1,213)	(1,213)
PFC Coverage Requirement	(4,072)	(4,072)	(6,278)	(9,811)	-	-	-	-	-	-
PFC Fund Ending Balance	\$ 183,140	\$ 229,587	\$ 205,777	\$ 133,875	\$ 97,605	\$ 54,285	\$ 44,127	\$ 65,074	\$ 89,722	\$ 116,196

1. Equal to 25% of PFC-eligible debt service in current year.

2. Includes PFC paygo for South Terminal Complex.

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit C

Debt Service Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO				
							2020	2021	2022	2023	
Airport Facilities Revenue Bonds											
<u>Non-PFC Backed</u>											
Series 1998	\$ 1,796	\$ 1,355	\$ 883	\$ 543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Series 2003A (refunded by 2013B)	6,169	6,213	14,671	5,510	5,090	-	-	-	-	-	
Series 2007	16,732	16,730	16,731	16,729	16,728	16,731	16,731	16,728	16,729	4,452	
Series 2008A	35,063	35,526	24,507	33,920	27,697	-	-	-	-	-	
Series 2009A	5,663	13,393	15,488	15,488	15,486	15,485	15,489	15,489	15,488	5,275	
Series 2009B	9,826	2,097	-	-	-	-	-	-	-	-	
Series 2010A	988	988	1,823	1,825	1,821	1,823	1,821	1,822	1,820	1,821	
Series 2010B	2,640	2,606	5,634	5,718	12,891	-	-	-	-	-	
Series 2011A	73	73	73	73	73	73	73	73	73	73	
Series 2011B	2,480	2,480	2,480	2,480	2,480	2,610	2,613	2,609	7,327	6,972	
Series 2011C	80	80	80	80	80	595	595	604	-	-	
Series 2011D	2,290	2,292	2,293	2,293	2,292	30,245	30,243	-	-	-	
Series 2012A	1,384	1,384	1,384	1,384	1,384	1,384	1,384	29,069	-	-	
Series 2013A Baggage Loan	-	4,297	4,294	4,298	4,298	4,295	4,294	4,299	4,294	4,296	
Series 2015	-	-	-	83	2,581	4,642	4,642	4,642	4,641	4,641	
Series 2016A/B	-	-	-	243	3,475	6,520	6,523	6,521	6,520	6,524	
Future STC Bonds 2017	-	-	-	-	-	-	10,195	10,195	10,195	13,465	
Future STC Bonds 2018	-	-	-	-	-	-	8,221	8,221	8,221	10,581	
Future STC Bonds 2019	-	-	-	-	-	-	7,422	7,443	7,443	9,418	
Future Master Plan Projects	-	-	-	-	-	-	-	2,169	2,169	2,169	
Subtotal - Non-PFC Backed	\$ 85,185	\$ 89,514	\$ 90,341	\$ 90,666	\$ 96,375	\$ 84,404	\$ 110,246	\$ 109,882	\$ 84,919	\$ 69,686	

Exhibit C

Debt Service Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO			
							2020	2021	2022	2023
PFC-Backed										
Series 2009C - PFC	5,629	5,632	5,633	5,633	5,629	5,632	5,629	5,630	5,632	5,629
Series 2010A	3,953	3,954	3,953	3,951	3,954	3,953	3,954	3,954	3,951	3,953
Series 2010B	1,160	1,165	1,166	1,166	1,162	-	-	-	-	-
Series 2011A	393	389	389	389	389	393	391	389	392	393
Series 2011B	684	684	684	684	684	1,914	1,912	1,910	1,914	1,913
Series 2011C	3,061	3,056	3,059	3,057	3,058	3,059	3,059	3,058	3,057	3,058
Series 2011D	938	942	943	941	945	941	941	942	945	946
Series 2012A	469	469	469	469	469	469	469	469	469	469
Series 2015	-	-	8,817	9,308	9,306	9,306	9,310	9,310	9,307	9,307
Series 2016A/B	-	-	-	6,329	6,547	6,548	6,549	6,547	6,550	6,548
Future STC Bonds 2017	-	-	-	7,318	19,534	19,531	19,534	19,530	19,533	19,534
Future STC Bonds 2018	-	-	-	-	-	13,890	13,930	13,930	13,928	13,926
Future Master Plan Projects	-	-	-	-	-	-	1,213	1,213	1,213	1,213
Subtotal - PFC-Backed	<u>\$ 16,287</u>	<u>\$ 16,290</u>	<u>\$ 25,114</u>	<u>\$ 39,245</u>	<u>\$ 51,678</u>	<u>\$ 65,635</u>	<u>\$ 66,891</u>	<u>\$ 66,882</u>	<u>\$ 66,890</u>	<u>\$ 66,889</u>
Aggregate Debt Service	\$ 101,472	\$ 105,803	\$ 115,455	\$ 129,910	\$ 148,053	\$ 150,038	\$ 177,137	\$ 176,764	\$ 151,808	\$ 136,575

Exhibit C

Debt Service Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO				
							2020	2021	2022	2023	
Subordinated Indebtedness											
1998B&C Gulf Breeze	\$ 3,114	\$ 3,105	\$ 517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2016 Subordinate Bonds ¹	4,090	3,026	14,885	7,558	7,557	7,555	7,557	7,556	7,558	7,556	
FDOT Loan Repayment for ITF	-	-	-	-	-	1,639	2,493	2,547	2,603	2,660	
STC Subordinated Indebtedness	-	-	-	-	-	-	26,724	26,746	26,746	34,536	
Secondary Subordinated Indebtedness²											
Repayment Obligations (Bank Lines of Credit)	-	205	-	-	-	-	-	-	-	-	
Total Subordinated Indebtedness	\$ 7,204	\$ 6,336	\$ 15,402	\$ 7,558	\$ 7,557	\$ 9,195	\$ 36,774	\$ 36,849	\$ 36,906	\$ 44,751	
Total Debt Service	\$ 108,676	\$ 112,139	\$ 130,857	\$ 137,469	\$ 155,610	\$ 159,233	\$ 213,911	\$ 213,612	\$ 188,714	\$ 181,326	
Cost Center Allocations											
Airfield	\$ 10,784	\$ 10,781	\$ 11,350	\$ 11,361	\$ 12,698	\$ 21,220	\$ 23,642	\$ 22,413	\$ 9,530	\$ 7,316	
Terminal Apron	510	511	476	475	392	118	2,366	2,359	2,251	2,910	
Terminal											
Terminal	\$ 64,373	\$ 68,693	\$ 73,009	\$ 73,412	\$ 77,269	\$ 56,184	\$ 133,187	\$ 132,494	\$ 124,045	\$ 119,964	
FIS	883	883	6,355	6,663	7,507	7,622	7,623	7,624	7,721	7,697	
Subtotal	\$ 65,256	\$ 69,575	\$ 79,364	\$ 80,075	\$ 84,775	\$ 63,806	\$ 140,810	\$ 140,117	\$ 131,766	\$ 127,661	
Other Buildings and Grounds	4,759	4,764	4,752	12,710	24,977	43,972	3,050	3,867	2,564	2,177	
Hotel	3,162	3,153	564	47	46	106	106	100	30	11	
Ground Transportation	24,206	23,356	34,351	32,801	32,722	30,012	43,937	44,756	42,572	41,251	
Total	\$ 108,676	\$ 112,139	\$ 130,857	\$ 137,469	\$ 155,610	\$ 159,233	\$ 213,911	\$ 213,612	\$ 188,714	\$ 181,326	

1. Previously the 1997B Gulf Breeze Loan.

2. Takes effect when the Consent Amendments to the Bond Resolution amendments become effective. Assuming Repayment Obligations are refinanced with Bonds.

Source: Raymond James, one of the Authority's independent registered municipal advisors.

Exhibit D

Operation and Maintenance Expenses

Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Direct Expenses	\$ 122,063	\$ 128,886	\$ 137,906	\$ 153,257	\$ 157,855	\$ 162,590	\$ 167,468	\$ 172,492	\$ 177,667	\$ 182,997
Indirect Expenses										
Operation	\$ 13,623	\$ 15,298	\$ 17,772	\$ 19,919	\$ 20,516	\$ 21,132	\$ 21,766	\$ 22,419	\$ 23,091	\$ 23,784
Maintenance	11,385	12,037	13,862	14,294	14,723	15,165	15,620	16,088	16,571	17,068
Aircraft Rescue and Firefighting (ARFF)	7,611	8,034	8,854	9,566	9,853	10,148	10,453	10,766	11,089	11,422
Orlando Police Department	9,915	10,091	12,414	14,346	14,777	15,220	15,677	16,147	16,631	17,130
Property	1,107	1,096	1,289	1,673	1,723	1,775	1,828	1,883	1,939	1,997
Administration	32,278	36,680	46,974	53,623	55,232	56,889	58,596	60,353	62,164	64,029
Insurance and Other	10,413	9,604	12,208	11,943	12,302	12,671	13,051	13,442	13,846	14,261
Total Indirect Expenses	\$ 86,332	\$ 92,840	\$ 113,372	\$ 125,365	\$ 129,126	\$ 132,999	\$ 136,989	\$ 141,099	\$ 145,332	\$ 149,692
Subtotal	\$ 208,394	\$ 221,726	\$ 251,278	\$ 278,622	\$ 286,980	\$ 295,590	\$ 304,457	\$ 313,591	\$ 322,999	\$ 332,689
Incremental Expenses (for new facilities)	-	-	-	-	9,648	9,937	59,702	61,493	63,338	65,238
Operation and Maintenance Expenses	\$ 208,394	\$ 221,726	\$ 251,278	\$ 278,622	\$ 296,628	\$ 305,527	\$ 364,160	\$ 375,084	\$ 386,337	\$ 397,927
By Cost Center and Sub-Cost Center										
Airfield	\$ 21,600	\$ 23,358	\$ 26,639	\$ 29,867	\$ 30,365	\$ 31,275	\$ 30,686	\$ 31,607	\$ 32,555	\$ 33,532
Terminal Apron	2,691	3,421	3,849	4,090	4,158	4,283	4,202	4,328	4,458	4,592
Terminal										
Terminal	\$ 122,017	\$ 128,371	\$ 148,351	\$ 163,202	\$ 166,164	\$ 171,149	\$ 227,343	\$ 234,163	\$ 241,188	\$ 248,424
FIS	2,000	2,415	2,717	4,226	4,353	4,484	6,586	6,783	6,987	7,196
Subtotal	\$ 124,017	\$ 130,785	\$ 151,067	\$ 167,428	\$ 170,517	\$ 175,633	\$ 233,929	\$ 240,947	\$ 248,175	\$ 255,620
Other Buildings and Grounds	4,596	5,057	6,381	7,090	7,208	7,424	7,285	7,503	7,728	7,960
Hotel	28,424	30,233	30,021	32,039	32,966	33,955	34,841	35,886	36,963	38,072
Ground Transportation	27,067	28,872	33,320	38,107	51,415	52,957	53,217	54,814	56,458	58,152
Total	\$ 208,394	\$ 221,726	\$ 251,278	\$ 278,622	\$ 296,628	\$ 305,527	\$ 364,160	\$ 375,084	\$ 386,337	\$ 397,927
Percent Change	5.1%	6.4%	13.3%	10.9%	6.5%	3.0%	19.2%	3.0%	3.0%	3.0%

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit E

Revenues

Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Airline Revenues										
Participating Airlines										
Landing Fees	\$ 27,046	\$ 28,595	\$ 31,691	\$ 35,268	\$ 36,469	\$ 43,384	\$ 45,044	\$ 45,263	\$ 37,166	\$ 36,317
Terminal Rents	49,608	50,742	55,107	64,057	65,396	61,433	70,267	69,665	69,471	70,742
Apron Fees	1,861	2,179	2,563	2,941	2,955	2,905	3,659	3,745	3,757	4,200
Equipment Charges	1,999	2,937	3,191	3,953	4,043	4,201	4,779	4,743	4,867	4,994
Baggage System Fees	<u>33,053</u>	<u>39,725</u>	<u>44,516</u>	<u>48,757</u>	<u>50,327</u>	<u>48,488</u>	<u>69,140</u>	<u>69,388</u>	<u>69,968</u>	<u>71,753</u>
Participating Airlines (excluding Facility Fees/FIS)	\$113,566	\$124,177	\$137,068	\$154,977	\$159,191	\$160,410	\$192,889	\$192,804	\$185,229	\$188,005
Facility Fees/FIS										
Terminal Facility Fees	8,502	8,950	9,310	12,348	12,818	12,397	15,502	15,731	16,056	16,797
FIS Fees	5,235	6,044	6,408	8,090	8,372	8,665	8,970	9,288	9,619	9,964
Ramp Parking & RON Fees	1,269	1,937	1,829	2,298	2,353	2,406	2,836	2,915	3,021	3,291
Cargo Landing Fees	1,121	1,210	1,595	1,753	1,791	2,107	2,164	2,153	1,752	1,698
Non-Participating Airlines										
Landing Fees	1,781	2,082	2,654	2,953	3,054	3,633	3,772	3,791	3,112	3,041
Baggage System Fees	1,153	1,511	2,146	3,027	3,125	3,010	4,293	4,308	4,344	4,455
Space Use Permits	525	736	837	1,143	1,160	1,084	1,151	1,142	1,138	1,159
Continental Hangar Tenant Finish	<u>188</u>	<u>-</u>	<u>188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Airline Revenues	<u>\$133,341</u>	<u>\$146,648</u>	<u>\$162,035</u>	<u>\$186,590</u>	<u>\$191,863</u>	<u>\$193,712</u>	<u>\$231,578</u>	<u>\$232,133</u>	<u>\$224,272</u>	<u>\$228,411</u>
Less: Cargo Landing Fees	<u>(1,309)</u>	<u>(1,210)</u>	<u>(1,783)</u>	<u>(1,753)</u>	<u>(1,791)</u>	<u>(2,107)</u>	<u>(2,164)</u>	<u>(2,153)</u>	<u>(1,752)</u>	<u>(1,698)</u>
Passenger Airline Payments	\$132,032	\$145,438	\$160,252	\$184,837	\$190,072	\$191,605	\$229,414	\$229,979	\$222,520	\$226,713

Exhibit E

Revenues

Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Non-airline Revenues										
Terminal										
Terminal Area Rents - Nonairline	\$ 10,001	\$ 9,527	\$ 10,087	\$ 10,806	\$ 10,940	\$ 10,318	\$ 10,872	\$ 10,791	\$ 10,766	\$ 10,935
Advertising	3,026	2,876	2,904	2,900	2,929	2,958	2,988	3,018	3,048	3,078
Food and Beverage	18,144	19,526	21,360	22,105	22,849	23,599	24,355	25,116	25,880	26,647
Merchandise and Services										
General Merchandise	19,892	21,219	23,212	24,022	24,830	25,646	26,467	27,294	28,124	28,958
Services	8,633	8,190	9,041	9,357	9,672	9,989	10,309	10,631	10,955	11,279
Concession Extension Program ¹		-	-	1,209	1,571	1,665	1,629	1,268	175	677
Other Rentals	2,015	2,871	3,036	2,798	2,823	2,709	2,810	2,796	2,791	2,822
Ground Transportation										
Off-airport Parking	1,350	1,562	1,567	1,829	1,891	1,953	2,016	2,079	2,142	2,205
Parking Facilities	49,079	53,004	57,432	59,281	62,581	64,831	71,026	73,243	74,764	76,248
Car Rentals	87,018	91,835	88,315	90,824	93,321	95,832	98,357	100,894	103,443	106,004
Intermodal Terminal Facility	-	-	-	-	1,632	3,489	3,671	4,227	4,261	4,292
Commercial Lane	9,818	10,881	10,735	11,892	12,292	12,696	13,103	13,512	13,923	14,336
Other										
Other Buildings and Grounds	13,795	14,241	14,384	15,377	15,531	15,687	15,843	16,002	16,162	16,324
Hotel	35,725	39,897	40,060	42,269	43,354	44,184	45,030	45,893	46,774	47,672
Other Operating Revenue	2,491	3,574	2,060	2,370	2,394	2,418	2,442	2,466	2,490	2,515
Fuel	2,134	2,196	2,163	2,192	2,076	3,949	3,364	3,151	761	783
Total Non-airline Revenues	\$263,121	\$281,399	\$286,356	\$299,232	\$310,685	\$321,922	\$334,282	\$342,379	\$346,459	\$354,775
Percent Change		6.9%	1.8%	4.5%	3.8%	3.6%	3.8%	2.4%	1.2%	2.4%
Operating Revenues	\$396,462	\$428,046	\$448,391	\$485,823	\$502,548	\$515,634	\$565,860	\$574,512	\$570,731	\$583,186
Interest Earnings	1,638	2,292	2,071	2,861	2,343	2,841	3,207	3,210	3,158	2,988
Available PFC Revenues ²	20,358	20,362	31,392	49,056	-	-	-	-	-	-
Other Non-Operating Revenues	238	-	-	-	-	-	-	-	-	-
Revenues	\$418,696	\$450,701	\$481,855	\$537,739	\$504,891	\$518,475	\$569,067	\$577,722	\$573,889	\$586,174
Revenues Excluding Available PFC Revenues	\$398,338	\$430,339	\$450,462	\$488,684	\$504,891	\$518,475	\$569,067	\$577,722	\$573,889	\$586,174
Percent Change	4.7%	8.0%	4.7%	8.5%	3.3%	2.7%	9.8%	1.5%	-0.7%	2.1%

1. See text for specific assumptions - some concessionaires eligible for the program elected to extend their agreement for five years at 50% of the annual MAG spread over five-year extension period and the rest were assumed to elect to extend for three years at 25% as spread out over the three-year extension period.

2. Reflects the revised treatment of PFC Revenues as an offset to Debt Service instead of inclusion in Available PFC Revenues upon the Consent Effective Date.

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit E-1

**Landing Fee and Apron Use Fee
Orlando International Airport
(for the Fiscal Years ending September 30; numbers in thousands, except as noted)**

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	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Airfield Requirements										
Operation and Maintenance Expenses	\$ 21,600	\$ 23,358	\$ 26,639	\$ 29,867	\$ 30,365	\$ 31,275	\$ 30,686	\$ 31,607	\$ 32,555	\$ 33,532
Operating Reserve Requirement	149	300	372	538	83	152	(98)	153	158	163
Debt Service										
Non-PFC Supported	9,458	9,454	10,018	10,034	11,369	19,885	20,786	19,557	6,673	4,187
PFC-Supported	1,326	1,326	1,327	1,326	1,327	1,333	1,922	1,921	1,922	1,923
Subordinated Indebtedness	1	1	4	2	2	2	934	935	935	1,206
Senior Lien Debt Service Coverage		-	-	-	-	-	-	-	-	-
Amortization for GOAA-Funded R&R Projects	677	960	1,070	1,726	1,481	1,667	1,845	1,915	2,279	2,560
Amortization for GOAA-Funded CIP Projects	-	-	-	-	91	91	191	191	191	191
Less: Available PFC Revenues for Senior Lien	(1,326)	(1,326)	(1,327)	(1,326)	(1,327)	(1,333)	(1,922)	(1,921)	(1,922)	(1,923)
Total Airfield Requirement	\$ 31,885	\$ 34,072	\$ 38,104	\$ 42,166	\$ 43,390	\$ 53,072	\$ 54,345	\$ 54,358	\$ 42,791	\$ 41,839
Less: Fuel System Revenues, Fuel Flowage Fees (RON Fees)	(2,134)	(2,196)	(2,163)	(2,192)	(2,076)	(3,949)	(3,364)	(3,151)	(761)	(783)
Net Airfield Requirement	\$ 29,751	\$ 31,876	\$ 35,941	\$ 39,975	\$ 41,314	\$ 49,124	\$ 50,980	\$ 51,207	\$ 42,030	\$ 41,057
 Total Maximum Gross Landed Weight (1,000 pounds)										
Passenger Airline	19,908	21,232	22,684	23,198	23,716	24,227	24,730	25,224	25,708	26,183
Cargo Carrier	763	838	1,054	1,064	1,075	1,086	1,096	1,107	1,118	1,130
Total Maximum Gross Landed Weight	20,671	22,070	23,738	24,262	24,791	25,312	25,826	26,331	26,827	27,312
 Landing Fee Rate (per 1,000 pound unit)	\$ 1.44	\$ 1.44	\$ 1.51	\$ 1.65	\$ 1.67	\$ 1.94	\$ 1.97	\$ 1.94	\$ 1.57	\$ 1.50
 Passenger Airline Landing Fees	\$ 28,653	\$ 30,667	\$ 34,345	\$ 38,221	\$ 39,523	\$ 47,017	\$ 48,816	\$ 49,054	\$ 40,278	\$ 39,359
Cargo Landing Fees	1,099	1,210	1,595	1,753	1,791	2,107	2,164	2,153	1,752	1,698
Total Landing Fees	\$ 29,751	\$ 31,876	\$ 35,941	\$ 39,975	\$ 41,314	\$ 49,124	\$ 50,980	\$ 51,207	\$ 42,030	\$ 41,057
 Participating Airline Landing Fee Revenues	\$ 26,763	\$ 28,595	\$ 31,691	\$ 35,268	\$ 36,469	\$ 43,384	\$ 45,044	\$ 45,263	\$ 37,166	\$ 36,317
Non-Participating Airline Landing Fee Revenues	1,888	2,072	2,654	2,953	3,054	3,633	3,772	3,791	3,112	3,041
Cargo Landing Fee Revenue	1,099	1,210	1,595	1,753	1,791	2,107	2,164	2,153	1,752	1,698
Total Landing Fee Revenue	\$ 29,750	\$ 31,876	\$ 35,941	\$ 39,975	\$ 41,314	\$ 49,124	\$ 50,980	\$ 51,207	\$ 42,030	\$ 41,057

Exhibit E-1

Landing Fee and Apron Use Fee Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

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	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Terminal Apron Requirement										
Operation and Maintenance Expenses	\$ 2,691	\$ 3,421	\$ 3,849	\$ 4,090	\$ 4,158	\$ 4,283	\$ 4,202	\$ 4,328	\$ 4,458	\$ 4,592
Operating Reserve Requirement	145	41	53	40	11	21	(13)	21	22	22
Debt Service	-	-	-	-	-	-	-	-	-	-
Non-PFC Supported	510	511	476	475	392	118	1,223	1,215	1,107	1,432
PFC-Supported	-	-	-	-	-	-	-	-	-	-
Subordinated Indebtedness	-	-	-	-	-	-	1,143	1,144	1,144	1,477
Senior Lien Debt Service Coverage	-	-	-	-	-	-	-	-	-	-
Amortization for GOAA-Funded R&R Projects	-	-	3	3	3	3	3	3	3	3
Amortization for GOAA-Funded CIP Projects	-	-	-	-	-	-	-	-	-	-
Less: Available PFC Revenues for Senior Lien	-	-	-	-	-	-	-	-	-	-
Less: Available PFC Revenues for Subordinate Lien	-	-	-	-	-	-	-	-	-	-
Terminal Apron Requirement	\$ 3,346	\$ 3,972	\$ 4,380	\$ 4,608	\$ 4,564	\$ 4,424	\$ 6,557	\$ 6,711	\$ 6,734	\$ 7,527
 Average Remote RON Area by Position (SF in 000s) ¹	15	28	28	15	15	15	15	15	15	15
Number of Remote RON Positions	22	22	22	22	22	22	22	22	22	22
Total Remote RON Area (SF in 000s)	332	627	627	332	332	332	332	332	332	332
Total Terminal Apron Area Excluding Taxiways (SF in 000s)	2,183	4,183	4,183	2,183	2,183	2,183	2,183	2,183	2,183	2,183
Amount of Terminal Apron Allocable to Remote RON Parking	15.2%	15.0%	15.0%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
Terminal Apron Requirement Allocable to Remote RON Area	\$ 508	\$ 595	\$ 656	\$ 700	\$ 693	\$ 672	\$ 996	\$ 1,019	\$ 1,023	\$ 1,143
Remote RON Rate per Position per Year	\$ 23,101	\$ 27,055	\$ 29,835	\$ 31,810	\$ 31,511	\$ 30,543	\$ 45,269	\$ 46,330	\$ 46,487	\$ 51,961
Remote RON Rate per Position per Use (Overnight)	\$ 63.29	\$ 74.12	\$ 81.74	\$ 87.15	\$ 86.33	\$ 83.68	\$ 124.02	\$ 126.93	\$ 127.36	\$ 142.36
 Terminal Apron Requirement Allocable to Gates	\$ 2,838	\$ 3,377	\$ 3,724	\$ 3,908	\$ 3,871	\$ 3,752	\$ 5,561	\$ 5,692	\$ 5,711	\$ 6,383
Total Operating Gates	93	93	93	93	93	93	114	114	114	114
Average Terminal Apron Rate per Gate	\$ 30,516	\$ 36,313	\$ 40,044	\$ 42,020	\$ 41,625	\$ 40,346	\$ 48,783	\$ 49,927	\$ 50,096	\$ 55,995
Rented Gates	60	60	64	70	71	72	75	75	75	75
Airline Terminal Apron Use Fees	\$ 1,831	\$ 2,179	\$ 2,563	\$ 2,941	\$ 2,955	\$ 2,905	\$ 3,659	\$ 3,745	\$ 3,757	\$ 4,200

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit E-2

Terminal Premises Rate Orlando International Airport (for the Fiscal Years ending September 30; numbers in thousands, except as noted)

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	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Terminal Requirement										
Operation and Maintenance Expenses	\$ 124,017	\$ 130,785	\$ 151,067	\$ 167,428	\$ 170,517	\$ 175,633	\$ 233,929	\$ 240,947	\$ 248,175	\$ 255,620
Operating Reserve Requirement	(434)	1,477	1,951	2,727	515	853	9,716	1,170	1,205	1,241
Debt Service	-	-	-	-	-	-	-	-	-	-
Non-PFC Supported	55,668	59,985	60,940	61,172	65,875	44,905	66,568	65,865	57,510	48,265
PFC-Supported	9,582	9,586	18,403	18,892	18,890	18,890	56,595	56,590	56,594	56,592
Subordinated Indebtedness	6	4	21	11	11	11	17,648	17,662	17,662	22,804
Senior Lien Debt Service Coverage	-	-	-	-	-	-	-	-	-	-
Amortization for GOAA-Funded R&R Projects	2,806	3,537	3,799	6,736	5,716	6,053	6,537	6,189	7,338	8,294
Amortization for GOAA-Funded CIP Projects	-	-	-	-	157	1,911	4,127	4,127	4,127	4,127
Total Terminal Requirement	\$ 191,645	\$ 205,375	\$ 236,182	\$ 256,966	\$ 261,681	\$ 248,256	\$ 395,119	\$ 392,549	\$ 392,611	\$ 396,943
Less:										
Miscellaneous Direct Reimbursements	\$ (2,880)	(2,274)	(2,480)	(2,480)	(2,480)	(2,480)	(2,480)	(2,480)	(2,480)	(480)
Airline Equipment Requirement	(3,060)	(4,552)	(4,637)	(5,252)	(5,296)	(5,426)	(7,265)	(7,210)	(7,397)	(7,590)
FIS Requirement	(11,160)	(12,120)	(13,987)	(16,655)	(19,110)	(18,557)	(29,454)	(28,996)	(29,245)	(29,794)
Baggage System O&M Expenses	(8,669)	(9,841)	(10,503)	(12,254)	(12,621)	(13,000)	(13,390)	(13,791)	(14,205)	(14,631)
Available PFC Revenues for Senior Lien	(9,582)	(9,586)	(18,403)	(18,892)	(18,890)	(18,890)	(56,595)	(56,590)	(56,594)	(56,592)
Available PFC Revenues for Subordinate Lien	-	-	-	-	-	-	-	-	-	-
Net Terminal Requirement	\$ 156,294	\$ 167,001	\$ 186,174	\$ 201,433	\$ 203,284	\$ 189,903	\$ 285,936	\$ 283,482	\$ 282,691	\$ 287,856
Rentable Space (square feet)	1,474	1,477	1,477	1,474	1,467	1,467	2,078	2,078	2,078	2,078
Enclosed Terminal Premises Rate (per square foot)	\$ 106.04	\$ 113.07	\$ 126.08	\$ 136.63	\$ 138.59	\$ 129.47	\$ 137.59	\$ 136.41	\$ 136.03	\$ 138.52
Airline Assigned Space (square feet)	455	726	724	758	766	772	947	950	952	955
Net Airline Requirement	\$ 48,269	\$ 82,093	\$ 91,241	\$ 103,562	\$ 106,200	\$ 99,905	\$ 130,284	\$ 129,544	\$ 129,552	\$ 132,293
Less Space Rental for Common Use Baggage Charges	(28,409)	(31,395)	(36,159)	(39,531)	(40,831)	(38,498)	(60,043)	(59,905)	(60,107)	(61,577)
Subtotal - Exclusive/Preferential Use Space Rentals	\$ 19,860	\$ 50,698	\$ 55,081	\$ 64,031	\$ 65,370	\$ 61,407	\$ 70,241	\$ 69,639	\$ 69,445	\$ 70,716
Unenclosed Terminal Premises (Existing Class 5)										
Rate (per square foot)	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Airline Assigned Space (square feet)	15	15	9	8.67	9	9	9	9	9	9
Unenclosed Terminal Premises Rentals	45	44	26	26	26	26	26	26	26	26
Total Airline Terminal Rentals (excluding Baggage Space)	\$ 19,904	\$ 50,742	\$ 55,107	\$ 64,057	\$ 65,396	\$ 61,433	\$ 70,267	\$ 69,665	\$ 69,471	\$ 70,742
Enclosed Terminal Premises Rate (per square foot)	\$ 106.04	\$ 113.07	\$ 126.08	\$ 136.63	\$ 138.59	\$ 129.47	\$ 137.59	\$ 136.41	\$ 136.03	\$ 138.52
Other Airline Space	8	7	7	8	8	8	8	8	8	8
Terminal Rentals (Non-participating Airlines)	\$ 884	\$ 736	\$ 837	\$ 1,143	\$ 1,160	\$ 1,084	\$ 1,151	\$ 1,142	\$ 1,138	\$ 1,159

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit E-3

Airline Payments per Enplaned Passenger Orlando International Airport

(for the Fiscal Years ending September 30; numbers in thousands, except as noted)

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	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Total Passenger Airline Payments									
Landing Fees	\$ 30,677	\$ 34,345	\$ 38,221	\$ 39,523	\$ 47,017	\$ 48,816	\$ 49,054	\$ 40,278	\$ 39,359
Terminal Rents	50,742	55,107	64,057	65,396	61,433	70,267	69,665	69,471	70,742
Apron Fees	2,179	2,563	2,941	2,955	2,905	3,659	3,745	3,757	4,200
Airline Equipment Fees	2,937	3,191	3,953	4,043	4,201	4,779	4,743	4,867	4,994
Baggage System Fees	41,236	46,662	51,784	53,452	51,498	73,433	73,696	74,313	76,208
Terminal Facility Fees	8,950	9,310	12,348	12,818	12,397	15,502	15,731	16,056	16,797
FIS Fees	6,044	6,408	8,090	8,372	8,665	8,970	9,288	9,619	9,964
Ramp Parking & RON Fees	1,937	1,829	2,298	2,353	2,406	2,836	2,915	3,021	3,291
Space Use Permits	736	837	1,143	1,160	1,084	1,151	1,142	1,138	1,159
Total Passenger Airline Payments	\$ 145,438	\$ 160,252	\$ 184,837	\$ 190,072	\$ 191,605	\$ 229,414	\$ 229,979	\$ 222,520	\$ 226,713
Enplaning Passengers	18,827	20,596	21,108	21,607	22,101	22,588	23,067	23,539	24,001
Cost per Enplaned Passenger for All Airlines	\$ 7.72	\$ 7.78	\$ 8.76	\$ 8.80	\$ 8.67	\$ 10.16	\$ 9.97	\$ 9.45	\$ 9.45
Revenue Sharing Payments ¹	(60,785)	(35,387)	(28,633)	(23,615)	(34,364)	-	-	-	(4,471)
Total Passenger Airline Payments Net of Revenue Sharing	\$ 84,653	\$ 124,865	\$ 156,204	\$ 166,457	\$ 157,242	\$ 229,414	\$ 229,979	\$ 222,520	\$ 222,242
Enplaning Passengers	18,827	20,596	21,108	21,607	22,101	22,588	23,067	23,539	24,001
Cost per Enplaned Passenger for All Airlines	\$ 4.50	\$ 6.06	\$ 7.40	\$ 7.70	\$ 7.11	\$ 10.16	\$ 9.97	\$ 9.45	\$ 9.26
Participating Airline Payments									
Landing Fee	\$ 28,595	\$ 31,691	\$ 35,268	\$ 36,469	\$ 43,384	\$ 45,044	\$ 45,263	\$ 37,166	\$ 36,317
Terminal Rent	50,742	55,107	64,057	65,396	61,433	70,267	69,665	69,471	70,742
Apron Fee	2,174	2,563	2,941	2,955	2,905	3,659	3,745	3,757	4,200
Baggage System Fees	39,725	44,516	48,757	50,327	48,488	69,140	69,388	69,968	71,753
Airline Equipment	2,937	3,191	3,953	4,043	4,201	4,779	4,743	4,867	4,994
Participating Airline Payments (excluding Facility Fees/FIS Fees)	\$ 124,172	\$ 137,068	\$ 154,977	\$ 159,191	\$ 160,410	\$ 192,889	\$ 192,804	\$ 185,229	\$ 188,005
Revenue Sharing Payments	(60,785)	(35,387)	(28,633)	(23,615)	(34,364)	-	-	-	(4,471)
Participating Airline Payments Net of Revenue Sharing	\$ 63,387	\$ 101,681	\$ 126,344	\$ 135,576	\$ 126,047	\$ 192,889	\$ 192,804	\$ 185,229	\$ 183,535
Participating Airline Enplaned Passengers	17,805	19,392	19,874	20,344	20,809	21,267	21,719	22,163	22,598
Participating Airline Cost per Enplaned Passenger	\$ 3.56	\$ 5.24	\$ 6.36	\$ 6.66	\$ 6.06	\$ 9.07	\$ 8.88	\$ 8.36	\$ 8.12

1. FY 2014 represents projected amounts of Net Shared Revenues available to share with the passenger Airlines under the Rate and Revenue Sharing Agreement.

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit F

Application of Revenues Orlando International Airport (for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
Revenues										
Airline Revenues	\$ 133,341	\$ 146,648	\$ 162,035	\$ 186,590	\$ 191,863	\$ 193,712	\$ 231,578	\$ 232,133	\$ 224,272	\$ 228,411
Non-airline Revenues	263,121	281,399	286,356	299,232	310,685	321,922	334,282	342,379	346,459	354,775
Available PFC Revenues	20,358	20,362	31,392	49,056	-	-	-	-	-	-
Interest Earnings and Other Non-Operating Revenues	1,876	2,292	2,071	2,861	2,343	2,841	3,207	3,210	3,158	2,988
Revenues	\$ 418,696	\$ 450,701	\$ 481,855	\$ 537,739	\$ 504,891	\$ 518,475	\$ 569,067	\$ 577,722	\$ 573,889	\$ 586,174
Application of Revenues										
Operation and Maintenance Fund	\$ 208,394	\$ 221,726	\$ 251,278	\$ 278,622	\$ 296,628	\$ 305,527	\$ 364,160	\$ 375,084	\$ 386,337	\$ 397,927
Bond Fund										
Non-PFC Supported Debt Service ^{1,2}	85,185	89,514	90,341	90,666	96,375	84,404	110,246	109,882	84,919	69,686
PFC-Supported Debt Service	16,287	16,290	25,114	39,245	-	-	-	-	-	-
Debt Service Reserve Account	-	-	-	-	-	-	-	-	-	-
Priority Subordinated Indebtedness Account ¹	7,204	6,131	15,402	7,558	7,557	9,195	36,774	36,849	36,906	44,751
Subordinated Indebtedness Reserve Account	-	-	-	-	-	-	-	-	-	-
Operation and Maintenance Reserve Account	1,001	1,978	3,054	4,555	3,001	1,483	9,772	1,821	1,875	1,932
Secondary Subordinated Indebtedness Account ¹	-	-	-	-	-	-	-	-	-	-
Capital Expenditures Fund	-	-	-	-	-	-	-	-	-	-
Renewal and Replacement Fund	-	-	-	-	-	-	-	-	-	-
Discretionary Fund										
PFC Account	4,072	4,072	6,278	9,811	-	-	-	-	-	-
Reserve Amortization for R&R and CIP	-	-	-	-	-	-	-	-	-	-
Secondary Subordinated Indebtedness	-	205	-	-	-	-	-	-	-	-
Remaining Revenues										
GOAA Share	45,000	50,000	55,000	78,650	77,716	83,503	48,115	54,087	63,852	67,407
Airline Share	51,553	60,785	35,387	28,633	23,615	34,364	-	-	-	4,471
Total Application of Revenues	\$ 418,696	\$ 450,701	\$ 481,855	\$ 537,739	\$ 504,891	\$ 518,475	\$ 569,067	\$ 577,722	\$ 573,889	\$ 586,174

1. Assuming the Consent Amendments to the Bond Resolution are approved in FY 2018.

2. Net of amounts paid with PFC Revenues after FY 2017.

Sources: Greater Orlando Aviation Authority (historical); LeighFisher all other years, September 2016.

Exhibit G

Debt Service Coverage and Rate Covenant Orlando International Airport (for the Fiscal Years ending September 30; numbers in thousands, except as noted)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by the Authority management, as described in the accompanying text. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

		Actual 2014	Actual 2015	Estimated 2016	Forecast 2017	2018	2019	STC DBO 2020	2021	2022	2023
BOND RESOLUTION RATE COVENANT											
Revenues ¹		\$ 418,696	\$ 450,701	\$ 481,855	\$ 537,739	\$ 504,891	\$ 518,475	\$ 569,067	\$ 577,722	\$ 573,889	\$ 586,174
Operating and Maintenance Expenses		(208,394)	(221,726)	(251,278)	(278,622)	(296,628)	(305,527)	(364,160)	(375,084)	(386,337)	(397,927)
Net Revenues	[A]	\$ 210,302	\$ 228,974	\$ 230,577	\$ 259,118	\$ 208,263	\$ 212,948	\$ 204,907	\$ 202,638	\$ 187,552	\$ 188,247
Less:											
Operation and Maintenance Reserve Account ²		(1,001)	(1,978)	(3,054)	(4,555)	-	-	-	-	-	-
Capital Expenditures Fund		-	-	-	-	-	-	-	-	-	-
Renewal and Replacement Fund		-	-	-	-	-	-	-	-	-	-
Net Revenues Available for Debt Service	[B]	\$ 209,301	\$ 226,996	\$ 227,523	\$ 254,563	\$ 208,263	\$ 212,948	\$ 204,907	\$ 202,638	\$ 187,552	\$ 188,247
Total Debt Service (Senior)		\$ 101,472	\$ 105,803	\$ 115,455	\$ 129,910	\$ 148,053	\$ 150,038	\$ 177,137	\$ 176,764	\$ 151,808	\$ 136,575
Less: PFC-Backed Bonds		-	-	-	-	(51,678)	(65,635)	(66,891)	(66,882)	(66,890)	(66,889)
Debt Service on Airport Facilities Revenue Bonds	[C]	\$ 101,472	\$ 105,803	\$ 115,455	\$ 129,910	\$ 96,375	\$ 84,404	\$ 110,246	\$ 109,882	\$ 84,919	\$ 69,686
Debt Service on Subordinated Indebtedness		7,204	6,336	15,402	7,558	7,557	9,195	36,774	36,849	36,906	44,751
Less: PFC-Backed Bonds		-	-	-	-	-	-	-	-	-	-
Total Debt Service (Senior and Subordinate)	[D]	\$ 108,676	\$ 112,139	\$ 130,857	\$ 137,469	\$ 103,932	\$ 93,598	\$ 147,020	\$ 146,730	\$ 121,825	\$ 114,437
Debt Service Coverage											
Airport Facilities Revenue Bonds (Senior)	[B]/[C]	2.06	2.15	1.97	1.96	2.16	2.52	1.86	1.84	2.21	2.70
Coverage Requirement			1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Total Indebtedness (Senior and Subordinate)	[B]/[D]	1.93	2.02	1.74	1.85	2.00	2.28	1.39	1.38	1.54	1.64
SUBORDINATE INDENTURE RATE COVENANT 10.01(a) and (b)											
Available Net Revenues	[A-C=E]	\$ 108,830	\$ 123,171	\$ 115,122	\$ 129,207	\$ 111,889	\$ 128,545	\$ 94,661	\$ 92,756	\$ 102,633	\$ 118,561
Aggregate Annual Debt Service											
Outstanding Priority Subordinated Indebtedness	[F]	\$ 7,204	\$ 6,131	\$ 15,402	\$ 7,558	\$ 7,557	\$ 9,195	\$ 10,050	\$ 10,103	\$ 10,160	\$ 10,215
Short Term Subordinated Obligations (future debt)	[G]	-	205	-	-	-	-	26,724	26,746	26,746	34,536
Total Aggregate Annual Subordinated Debt Service	[H]	\$ 7,204	\$ 6,336	\$ 15,402	\$ 7,558	\$ 7,557	\$ 9,195	\$ 36,774	\$ 36,849	\$ 36,906	\$ 44,751
Subordinate Debt Service Coverage - Section 10.01(b)											
Coverage Requirement	[E]/[H]			7.47	17.09	14.81	13.98	2.57	2.52	2.78	2.65
				1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Indenture Rate Covenant - Section 10.01(a)											
Available Net Revenues (must be greater than [H])		\$ 108,830	\$ 123,171	\$ 115,122	\$ 129,207	\$ 111,889	\$ 128,545	\$ 94,661	\$ 92,756	\$ 102,633	\$ 118,561

1. The reduction in Revenues in FY 2018 reflects the revised treatment of PFC revenues as an offset to Debt Service instead of inclusion in Available PFC Revenues upon implementation of Consent Amendments of the Bond Resolution.

2. Reflects the subordination of deposits to the O&M Reserve Account when the Consent Amendments to the Bond Resolution estimated to take effect in FY 2018.

3. Estimated hypothetical debt service on outstanding amounts of bank lines of credit projected at the end of each Fiscal Year amortized over 30 years at an assumed 5.0% interest rate.

Note: No Transfers were assumed for purposes of calculating debt service coverage.

Sources: Greater Orlando Aviation Authority (historical); Raymond James (debt service), LeighFisher all other, September 2016.

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APPENDIX B

AIRPORT FACILITIES REVENUE BOND RESOLUTION

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OFFICIAL
CODIFIED
VERSION

GREATER ORLANDO AVIATION AUTHORITY

AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

Adopted June 24, 2015

Effective July 31, 2015

*Does not include Amendments applicable to only one series of Bonds or amendments not yet effective. THIS OFFICIAL CODIFIED VERSION OF THE AIRPORT FACILITIES BOND RESOLUTION HAS BEEN FORMALLY ADOPTED BY THE GREATER ORLANDO AVIATION AUTHORITY AND ACCURATELY REFLECTS THE INITIAL BOND RESOLUTION, AS AMENDED THROUGH THE DATE INDICATED ABOVE.

GREATER ORLANDO AVIATION AUTHORITY

AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

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AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

BE IT RESOLVED BY THE GREATER ORLANDO AVIATION
AUTHORITY, AS FOLLOWS:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 101. Definitions. In this Resolution unless a different meaning clearly appears from the context:

“Accountant’s Certificate” means a certificate signed by an independent certified public accountant or a firm of certified public accountants selected by the Authority, who may be the accountant or firm of accountants who regularly audit the books of the Authority.

“Accreted Value” means the accreted value of the Capital Appreciation Bonds, on the date of calculation, including the original principal amount or discounted principal value (original offering price) thereof, plus interest or principal accreted thereon to the date of calculation, as determined by reference to the accreted value tables contained or referred to in each such Bond.

“Accrued Aggregate Debt Service” means, as of any date of calculation, an amount equal to the sum of (i) interest on the Bonds of all Series, other than Capital Appreciation Bonds, accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for all Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month. With respect to Variable Rate Bonds, the interest rate for the remainder of the then current calendar month shall, for purposes of this definition, be assumed to be the interest rate in effect as of the date of calculation.

"Act" means the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida 1957, as amended.

"Additional Bonds" means Bonds authenticated and delivered pursuant to Section 204, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or 1106.

"Additional Project" means the acquisition and construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements and betterments to and reconstructions of the Airport System to be financed, in whole or in part, from the proceeds of any Additional Bonds issued pursuant to the provisions of Section 204.

"Aggregate Debt Service" means, as of any particular date of computation and with respect to any period, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds.

"Airport Consultant" means the airport consultant or airport consulting firm or corporation at the time retained by the Authority pursuant to Section 714 to perform the acts and carry out the duties provided for such Airport Consultant in this Resolution.

"Airport Improvement and Development Plan" means the plan prepared annually and modified as necessary by the Authority, detailing all of the Authority's proposed capital additions and improvements to the Airport System for a five-year period.

"Airport System" means (i) the Orlando International Airport owned by the City and operated by the Authority, including all improvements and facilities now in existence, as said Airport may be hereafter added to, extended, improved or constructed and equipped, and (ii) any other aviation facility or airport acquired or constructed by the Authority; provided that, the Airport System shall not include Orlando Executive Airport (formerly known as Herndon Airport) or any additions, extensions or improvements thereto, unless (a) the Authority shall by Supplemental Resolution, expressly add Orlando Executive Airport to the Airport System, and (b) shall deliver to the Trustee (1) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding hereunder that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (2) the written consent of any bond insurers or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder. "Airport System" shall also include Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations. However, "Airport System" shall not

include any airport or aviation facility thereafter acquired or constructed by the Authority with funds other than the proceeds of Bonds issued under the Resolution or revenues generated by the Airport System.

"Annual Budget" means the annual budget of the Authority, as amended or supplemented, adopted or in effect for a particular Fiscal Year as provided in Section 716.

"Authority" means the Greater Orlando Aviation Authority created pursuant to the Act as an agency of the City, and any board or commission succeeding to the principal functions thereof or upon whom the powers conferred by the Act to said Authority shall be given by law. As used herein, the term Authority means the Greater Orlando Aviation Authority, acting on behalf of itself and the City.

"Authorized Newspapers" means both a newspaper or financial journal customarily published at least once a week, printed in the English language and of general circulation in the City, and a newspaper or financial journal customarily published at least once a day for at least five days (other than legal holidays) in each week, printed in the English language and of general circulation in The City of New York, New York.

"Authorized Officer of the Authority" means the Chairman, the Vice-Chairman, the Treasurer or the Secretary of the Board, or any other officer or employee of the Authority authorized by resolution of the Authority to perform specific acts or duties related to the subject matter of the authorization.

"Authorized Officer of the City" means the Mayor of the City, the City Clerk, or any other officer or employee of the City authorized by resolution of the City Council to perform specific acts or duties related to the subject matter of the authorization.

"Available PFC Revenues" means PFC Revenues received by the Authority in an amount for each relevant period not to exceed 1.25 times the Debt Service accruing during such period with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of the Authority.

"Board" means the Greater Orlando Aviation Authority Board, the governing body of the Authority.

"Bond" or "Bonds" means any bond or bonds, as the case may be, authenticated and delivered pursuant to the Resolution.

"Bond Fund" means the Airport Facilities Bond Fund established by Section 402.

"Bondholder" or "Holder of Bonds" or any similar term means any person who shall be the bearer of any coupon Bond or Bonds or the registered owner of any Bond or Bonds without coupons.

"Bond Obligation" means as of the date of computation, the sum of: (i) the principal amount of all Bonds then Outstanding other than Capital Appreciation Bonds, and (ii) the Accreted Value of all Capital Appreciation Bonds then Outstanding.

"Bond Proceeds" means all amounts received on the sale of a Series of Bonds.

"Bond Registrar" means the Trustee and any other bank or trust company organized under the laws of any state or national banking association appointed by the Authority to perform the duties of Bond Registrar enumerated in Section 704.

"Capital Appreciation Bonds" means Bonds that bear interest at a compounded rate which is payable only at maturity or upon prior redemption thereof or Bonds issued at a discount from par value that bear no stated interest and appreciate in value over time.

"Capital Expenditures Fund" means the Airport Facilities Capital Expenditures Fund established by Section 402.

"City" means the City of Orlando, Florida, a municipal corporation in the County of Orange, State of Florida.

"City Council" means the City Council of the City and any successor body.

"Composite Reserve Requirement" means an amount of money or available amount under one or more Reserve Products, or a combination thereof, equal to the lesser of (i) the Maximum Aggregate Debt Service calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount, (ii) 125% of the average annual Aggregate Debt Service calculated with respect to all Series of Bonds outstanding hereunder that are secured by the Composite Reserve Subaccount, or (iii) 10% of the aggregate stated principal amount of all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount; provided, however, that in determining the aggregate stated original principal amount of all Bonds Outstanding hereunder for purposes of (iii), the issue price of a Series (net of pre-

issuance accrued interest) shall be substituted for the original principal stated amount of that Series if the Series was sold at either an original issue discount or premium exceeding two percent (2%) of the stated redemption price at maturity of such Series.

"Composite Reserve Subaccount" means the subaccount in the Debt Service Reserve Account established pursuant to Section 402.

"Construction Fund" means the Airport Facilities Construction Fund established by Section 402.

"Consulting Engineers" means the engineer or engineering firm or corporation at the time retained by the Authority pursuant to Section 715 to perform the acts and carry out the duties provided for such Consulting Engineers in this Resolution.

"Cost of Construction," with respect to any Additional Project, means the Authority's costs properly attributable to the construction or acquisition thereof, including but not limited to, the cost of acquisition by or for the Authority of real or personal property or other interest therein, costs of physical construction, and costs of the Authority incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, cost of audits, fees and expenses of the Fiduciaries and costs of financing, administrative and general overhead and keeping accounts and making reports required by the Resolution prior to commencement of operation of such Additional Project, amounts, if any, required by the Resolution to be paid into any Fund or Account established under the Resolution upon the issuance of any Series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than the Bonds) incurred for such Additional Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Additional Project, and may include reimbursement to the Authority for any such items of Cost of Construction theretofore paid by or on behalf of the Authority.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys (who may be counsel or of counsel to the Authority) selected by the Authority and satisfactory to the Trustee.

"Debt Service" for any period means, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series (other than Capital Appreciation Bonds), except to the extent that such interest is to be paid from deposits (including investment income thereon) in the Debt Service Account made

from Bond Proceeds or other amounts available therein, and (ii) that portion of each Principal Installment for such Series of Bonds, which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of such Series, whichever is later). Such interest and Principal Installment for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

Except as otherwise provided herein, for purposes of calculating Debt Service with respect to Variable Rate Bonds, Variable Rate Bonds other than Taxable Bonds shall be assumed to bear interest at 125% of the Tax-Exempt Variable Rate Index as of the date of calculation and Variable Rate Taxable Bonds shall be assumed to bear interest at the Taxable Variable Rate Index as of the date of calculation.

If a Series of Variable Rate Bonds is subject to purchase by the Authority pursuant to a mandatory or optional tender by the holder, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation.

The interest rate for Variable Rate Bonds for purposes of determining the amount, if any, to be deposited into a subaccount in the Reserve Account for such Variable Rate Bonds shall be as required by the Supplemental Resolution authorizing the issuance of such Variable Rate Bonds; provided, however, that if no other assumption is provided, the assumptions provided above shall apply.

Other than for purposes of Section 1201 hereof, if, with respect to any portion of Debt Service, the Authority enters into a Qualified Derivative Agreement providing for Qualified Derivative Payments to the Authority which are pledged to the payment of Debt Service in an amount equal to interest on a notional amount equal to the principal portion of such Debt Service (which may include the principal of all or a portion of one or more Series of Bonds), based upon a fixed rate or a variable rate index or formula different from that used to calculate interest on the principal portion of such Debt Service, then the effective synthetic rate of interest to the Authority with respect to such principal portion of Debt Service taking into account (i) the actual interest rate borne by such principal portion of Debt Service, (ii) payments to be received by the Authority pursuant to such Qualified Derivative Agreement and (iii) payment obligations of the Authority to the counterparty under such Qualified Derivative Agreement, all based upon interest on such notional amount as determined by reference to a fixed rate or variable rate index or formula,

shall be used for purposes of this definition as the actual rate of interest with respect to such principal portion of Debt Service.

If two Series of Variable Rate Bonds, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds taken as a whole, such composite fixed rate shall be used in determining the Debt Service with respect to such Bonds.

With respect to Designated Maturity Bonds, the unamortized principal coming due on the final maturity date thereof shall be ignored and in lieu thereof there shall be added to the Debt Service for the Bond Year in which such final maturity occurs and to each Bond Service Year thereafter through the 30th anniversary of the issuance of such Bonds (the "Reamortization Period") the amount of substantially level principal and interest payments (assuming for such purposes such interest rate as a financial advisor selected by the Authority and having national experience in the pricing of municipal bonds shall determine is a reasonable estimate of the rate that such Designated Maturity Bonds would bear based upon such Reamortization Period and the characteristics of such Designated Maturity Bonds) that if paid in each year during the Reamortization Period would be sufficient to pay in full the unamortized portion of such Designated Maturity Bonds by such anniversary.

"Debt Service Account" means the Airport Facilities Debt Service Account established within the Bond Fund by Section 402.

"Debt Service Reserve Account" means the Debt Service Reserve Account established within the Bond Fund by Section 402.

"Debt Service Reserve Requirement" means, with respect to the Composite Reserve Subaccount, the Composite Reserve Requirement; and with respect to each Series of Bonds issued hereunder that is not secured by the Composite Reserve Subaccount, the amount of money, if any, or available amount of Reserve Product, if any, or any combination thereof, required by Supplemental Resolution adopted prior to the issuance of such Series of Bonds to be maintained in the subaccount in the Reserve Account with respect to such Series of Bonds pursuant to Section 405-1(3) hereof, as applicable, which will not cause any existing rating on any Bonds or Series of Bonds Outstanding hereunder to be lowered, suspended or withdrawn, and which amount shall be available for use only with respect to such Series of Bonds.

"Depository" means any bank or trust company qualified under Section 601, selected by the Authority pursuant to the Resolution and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of the Resolution, and may include the Trustee.

"Designated Maturity Bonds" means Bonds of a Series designated as such by Supplemental Resolution adopted in connection with the issuance thereof, for which either (i) no serial maturities or Sinking Fund Installments prior to the maturity thereof have been established, or (ii) the aggregate of such serial maturities and Sinking Fund Installments that have been established is less than the amount necessary to amortize such Bonds on a substantially level debt service basis.

"Discretionary Fund" means the Airport Facilities Discretionary Fund established by Section 402.

"Event of Default" shall have the meaning given to such term in Section 801.

"Exempt Costs" means amounts qualifying as costs of exempt facilities under Section 103(b)(4) of the Internal Revenue Code of 1954, as amended and the Treasury Regulations in effect thereunder, which are properly chargeable to the exempt facility's capital account or would be so chargeable with a proper election by the Authority or would have been so chargeable but for an election to treat such amounts as current expenses.

"FAA" means the Federal Aviation Administration, or any successor agency of the Federal Government performing the same or similar functions.

"FAA Regulations" means the regulations of the FAA contained in Title 14, Part 158, Code of Federal Regulations, as amended from time to time, pertaining to the imposition, collection and use of PFCs.

"Fiduciary" means the Trustee, Special Trustee and any Paying Agent, or any or all of them as may be appropriate.

"Fiscal Year" means the then current annual accounting period of the Authority for its general accounting purposes which period, at the time of the adoption of the Resolution, is the period of twelve consecutive calendar months ending with the last day of September of any year.

"Fitch" means Fitch Investors Service, L.P., a limited partnership organized and existing under the laws of the State of New York, its successors and assigns and, if such entity shall no longer perform the function of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

"Improvement and Development Fund" means the Airport Facilities Improvement and Development Fund established by Section 402.

"Investment Securities" means any of the following securities, if and to the extent the same are at the time legal for investment of moneys and funds held under the Resolution:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency to the extent such obligations are unconditionally guaranteed by the United States of America ("United States Obligations");

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including any Depositary or Paying Agent), provided that such certificates of deposit must be purchased directly from such bank, trust company or national banking association and must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national banking association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured must furnish the Authority with an undertaking

satisfactory to the Authority that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association secured by any one or more of the securities described in clauses (i), (ii) or (iii) above;

(vi) pre-refunded obligations of any state or of any agency, instrumentality or local governmental unit of any such state meeting the following conditions:

(A) the obligations are not to be redeemed prior to maturity or the fiduciary for such obligations has been given irrevocable instructions concerning their calling and redemption;

(B) the obligations are secured by cash or United States Obligations that may be applied only to interest, principal and redemption premium payments of such obligations;

(C) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) have been verified by an independent certified public accountant as being sufficient to pay the principal of, redemption premium, if any, and interest on such obligations on the maturity dates or redemption dates specified in the irrevocable instructions referred to in clause (A) above;

(D) the United States Obligations and cash serving as security for the obligations are held by an escrow agent or trustee;

(E) the United States Obligations and cash are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(F) the obligations are rated in the highest rating category by Moody's and S&P;

(vii) units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to applicable state law as a legal depository of public moneys;

(viii) commercial paper rated in the highest category by S&P and Moody's;

(ix) interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida, in savings and loan associations located in Florida and organized under federal law and under federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(x) direct general obligations of any state of the United States of America or any political subdivision, agency or municipality thereof whose unsecured, uninsured or unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P, or any obligation fully and unconditionally guaranteed by any such state, political subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated at the time of purchase, "A" or better by Moody's and "A" or better by S&P;

(xi) tax-exempt revenue bond obligations of any state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof rated at the time of purchase at least "Aa" by Moody's and at least "AA" by S&P;

(xii) any certificates, receipts or similar instruments ("Certificates") which were issued by or pursuant to a trust or similar arrangement and which evidence ownership or the right to receive payments of principal or interest or any securities (a) issued by a state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof and (b) meeting the requirements set forth in clauses (iii), (vi), (x) or (xi) above ("Municipal Securities"), which Municipal Securities are held pursuant to such trust or similar agreement for the benefit of the holders of such Certificates; provided,

however, that the holders of such Certificates are entitled to rely on an opinion of counsel rendered by a nationally recognized tax counsel that interest received on the Certificates by such holders is excluded from gross income for federal income tax purposes under the Code and is not treated as an item of tax preference for purposes of the alternative minimum tax and is not subject to any similar tax under the Code, unless all tax-exempt bonds are subject to such tax; and

(xiii) such other investments as the Authority is permitted to make with general funds of the Authority.

"Issuing Instrument" means, with respect to Subordinated Indebtedness described in Section 414 hereof, the indenture, trust agreement, loan agreement, lease, installment purchase agreement, revolving credit agreement, or other instrument or agreement pursuant to which such obligations are issued or incurred.

"Maturity Amount" means the amount payable at maturity of a Capital Appreciation Bond consisting of the original principal amount thereof or discounted principal value (original offering price) and interest or principal accreted thereon to the maturity date thereof, as determined by reference to the accreted value tables contained or referred to in such Bond.

"Maximum Aggregate Debt Service" means, as of any date of calculation, an amount equal to the greatest amount of Aggregate Debt Service for the current or any future Fiscal Year.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

"Net Revenues" means the Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means the Authority's expenses for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Airport System and shall include, without limiting the generality of the foregoing, administrative expenses, insurance premiums, legal and engineering expenses, payments to pension, retirements, group life insurance, health and hospitalization funds, or other employee benefit funds, and any other expenses required to be paid by the Authority under the provisions of this Resolution or by law or consistent with standard practices for airports similar to the

properties and business of the Airport System and applicable in the circumstances, the expenses, liabilities and compensation of the Fiduciaries required to be paid under this Resolution and all to the extent properly attributable to the Airport System. "Operation and Maintenance Expenses" shall not include any capital cost or any allowance for depreciation or any operation or maintenance costs for Special Purpose Facilities; provided, however, that "Operation and Maintenance Expenses" shall include operation and maintenance costs incurred by the Authority with respect to any Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations.

"Operation and Maintenance Fund" means the Airport Facilities Operation and Maintenance Fund established by Section 402.

"Operation and Maintenance Reserve Account" means the Operation and Maintenance Reserve Account established within the Operation and Maintenance Fund by subsection 3 of Section 408.

"Original Proceeds" means net amounts (after payment of all issuance expenses and underwriter's discount) received by the Authority on the sale and delivery of a Series of Bonds.

"Outstanding" or "outstanding," when used with reference to Bonds, means as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Resolution except (a) any Bond cancelled at or before said date, (b) any Bond (or portion of Bonds) for the payment or redemption of which moneys equal to the principal amount (or, with respect to Capital Appreciation Bonds, Maturity Amount) or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with Article V or provision satisfactory to the Trustee shall have been made for the giving of such notice, (c) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 506 or Section 1106, and (d) any Bond deemed to have been paid as provided in subsection 2 of Section 1201.

"Paying Agent" means any bank or trust company designated by the Authority as paying agent for the Bonds of any Series, and its successor or successors hereafter appointed in the manner provided in the Resolution.

"PFC Account" means the PFC Account established in the Discretionary Fund by Section 402.

“PFCs” or “Passenger Facility Charges” means the passenger facility charges authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990, as amended (now codified in Section 40117 of the United States Code), and Section 158.5 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“PFC Projects” means Additional Projects for which the Authority is authorized to impose and use PFCs, as confirmed by a Counsel’s Opinion.

“PFC Revenues” means amounts derived by the Authority from the imposition of PFCs, exclusive of the amounts retained by the air carriers collecting the PFCs pursuant to Section 158.53 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“Principal Installment” means, as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (i) the principal amount of Bonds of such Series (other than the Capital Appreciation Bonds) and the Maturity Amount of the Capital Appreciation Bonds of such Series, in each case, due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in subsection 5 of Section 411 or Section 504) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount, or Accreted Value with respect to Capital Appreciation Bonds, equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds other than Capital Appreciation Bonds and the Maturity Amount of Capital Appreciation Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any, for such Bonds.

“Qualified Derivative Agreement” means an agreement such as an interest rate swap, collar, cap, or other functionally similar agreement the purpose of which is to manage the effective interest cost on the Authority’s outstanding debt, between the Authority and a counterparty whose long-term unsecured debt is at all times rated at least “A” or the equivalent by S&P and “A2” or the equivalent by Moody’s, creating Qualified Derivative Payments and designated by the Authority as a Qualified Derivative Agreement for purposes of this Airport Facilities Revenue Bond Resolution. In the event the credit rating of the counterparty to a Qualified Derivative Agreement is reduced below such rating categories, such agreement shall no longer constitute a Qualified Derivative Agreement for purposes hereof.

“Qualified Derivative Payment” means a payment to the Authority by a counterparty pursuant to a Qualified Derivative Agreement, the amount of which

is equal to interest on a notional amount, based upon a fixed rate or a variable rate index or formula.

“Rating Agency” means as of any time, and to the extent it is then providing or maintaining a rating on Bonds outstanding hereunder at the request of the Authority, Fitch, Moody’s, S&P, or any other nationally recognized rating agency.

“Redemption Price” means, with respect to any Bond, the principal amount or, with respect to Capital Appreciation Bonds, the Accreted Value to the redemption date of such Bond, plus (in either case) the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to Section 205, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or 1106.

“Renewal and Replacement Fund” means the Airport Facilities Renewal and Replacement Fund established by Section 402.

“Reserve Product” means bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Composite Reserve Subaccount or any other subaccount in the Reserve Account and meeting the terms and conditions of Section 405-1(3) of this Resolution, as applicable.

“Reserve Product Provider” means a bond insurance provider or a bank or other financial institution providing a Reserve Product, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of and interest on bond issues by public entities, at the time such Reserve Product is obtained, results in such issues (as of the date such Reserve Product is delivered) being rated in one of the two highest full rating categories by each of the Rating Agencies; provided, however, that nothing herein shall require the Authority to obtain a rating on any Bonds issued under this Resolution.

“Resolution” means this Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, as the same may from time to time be amended or supplemented by a Supplemental Resolution in accordance with the terms hereof.

“Revenue Fund” means the Airport Facilities Revenue Fund established by Section 402.

“Revenues” means

(i) all income and revenues from all sources, collected or received by the Authority in the operation of the Airport System, including without limitation except as herein expressly provided, all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof;

(ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System's benefit which are: (a) not restricted in application to a special purpose, and (b) otherwise lawfully available for the payment of charges with respect to the Bonds;

(iii) income received on any investment of moneys held pursuant to the Resolution and paid into the Revenue Fund pursuant to the terms of the Resolution; and

(iv) Available PFC Revenues for the applicable period.

The term "Revenues" shall not include any revenue or income from Orlando Executive Airport or any additions, extensions or improvements thereto unless Orlando Executive Airport is added to the Airport System as provided in the definition of "Airport System." "Revenues" shall include the revenue or income from Special Purpose Facilities but only to the extent such revenue or income is not pledged to the payment of obligations of the Authority issued to finance such Facilities. The term "Revenues" shall include PFC Revenues only to the extent they constitute Available PFC Revenues for the applicable period.

"Series" means all Bonds, including Additional Bonds, authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 506, or Section 1106, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"Sinking Fund Installment" means, an amount so designated which is established pursuant to paragraph (2)(h) of subsection 1 of Section 202.

"Special Purpose Facilities" means any capital improvements or facilities acquired or constructed by the Authority from funds other than Revenues

or obligations payable from Revenues and located or to be located on any property included under the definition of Airport System.

"Special Trustee" means the special trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

"Standard & Poor's" or "S&P" means Standard & Poor's, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

"Subordinated Indebtedness" means any evidence of debt referred to in, and complying with the provisions of, Section 414.

"Subordinated Pledged Revenues" means, with respect to Subordinated Indebtedness described in Section 414 hereof, such moneys and income which shall be pledged to payment of Subordinated Indebtedness, other than Revenues.

"Supplemental Resolution" means any resolution of the Authority amending or supplementing the Resolution and adopted and becoming effective in accordance with the terms of Article X.

"Supplemental Revenues" means any source of funds not constituting Revenues hereunder irrevocably pledged to the payment of debt service on one or more series of Bonds outstanding hereunder by Supplemental Resolution and with respect to which there has been delivered to the Trustee (a) an opinion of Bond Counsel to the effect that the pledging of such source of Supplemental Revenues shall not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds outstanding hereunder that are not Taxable Bonds, (b) the written consent of any bond insurer or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder, and (c) confirmation from the Rating Agencies that the pledging of such source of Supplemental Revenues will not result in the reduction or withdrawal of the credit ratings assigned to the Bonds, or, if unrated and non-credit enhanced, then consent of the owners of not less than a majority of such unrated, non-credit enhanced Bond Obligation.

"Tax Exempt Variable Rate Index" means the average of the PSA Municipal Swap Index for the twelve (12) months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months

preceding the date of pricing of the Bonds to be issued, or, if such index is no longer published, the Tax Exempt Variable Rate Index shall be determined in accordance with such formula or index or in such manner as the Authority shall in good faith determine will provide substantially the same rate and, if the Authority has Bonds outstanding hereunder rated by the Rating Agencies, then with respect to which the Authority receives confirmation from such Rating Agencies that the calculation of the Tax Exempt Variable Rate Index in such manner will not result in a reduction or withdrawal of the then applicable rating on the Bonds.

“Taxable Bonds” means Bonds the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the owners thereof for federal income tax purposes.

“Taxable Variable Rate Index” means the average yield on 30-day United States Treasury Bills for the twelve (12) calendar months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, plus fifty (50) basis points.

“Trustee” means the trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“Variable Rate Bonds” means Bonds issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

SECTION 102. Authority for this Resolution. This Airport Facilities Revenue Bond Resolution is adopted pursuant to the provisions of the Act.

SECTION 103. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Authority with the Holders of the Bonds and shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time of the Bonds and the coupons appertaining thereto; and the pledge made in this Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for equal benefit, protection and security of the Holders of any and all of the Bonds and coupons appertaining thereto, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds or coupons appertaining thereto over any other thereof except as expressly provided in or pursuant to this Resolution.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 201. Authorization of Bonds.

1. This Resolution creates an issue of Bonds of the City to be designated as “Airport Facilities Revenue Bonds” which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under the Resolution is not limited except as is or may hereafter be provided in the Resolution or as limited by law.

2. The Bonds may, if and when authorized by the Authority pursuant to this Resolution or one or more Supplemental Resolutions, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series, as the Authority may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

3. Nothing contained in the Resolution shall be deemed to preclude or restrict the consolidation pursuant to a Supplemental Resolution of any Bonds of two or more separate Series authorized pursuant to such Supplemental Resolution to be issued pursuant to any of the provisions of Sections 202, 203, 204 and 205 into a single Series of Bonds for purposes of sale and issuance; provided that each of the tests, conditions and other requirements contained in Sections 202, 203, 204 and 205 as applicable to each such separate Series shall be met and complied with. Except as otherwise provided in this subsection or in such Supplemental Resolution, such a consolidated Series shall be treated as a single Series for all purposes of the Resolution.

SECTION 202. General Provisions for Issuance of Bonds.

1. All (but not less than all) the Bonds of each Series shall be executed by the City and countersigned by the Authority for issuance under the Resolution and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order, but only upon the receipt by the Trustee of:

(1) A written order as to the delivery of such Bonds, signed by an Authorized Officer of the Authority;

(2) In the case of each Series of Bonds or Refunding Bonds, a copy or copies of the Supplemental Resolution or Supplemental Resolutions authorizing such Bonds and determining (or delegating to one or more Authorized Officers authorization to determine) the terms

and details thereof, certified by an Authorized Officer of the Authority, which shall specify (or delegate authority to one or more Authorized Officers to specify):

(a) The authorized principal amount, designation and Series of such Bonds;

(b) The purposes for which such Series of Bonds is being issued, which shall be (i) one or more of the purposes specified in Sections 203 or 204, or (ii) the refunding of Bonds or certain other obligations as provided in Section 205;

(c) The date, and the maturity date or dates, of the Bonds of such Series, provided that each maturity date shall fall upon an interest payment date;

(d) The interest rate or rates of the Bonds of such Series, or the manner of determining such rate or rates, which rate or rates may include variable, adjustable, convertible, auction reset or other rates, original issue discounts, Capital Appreciation Bonds and zero coupon bonds, and the interest payment dates, if any, therefor;

(e) The denominations of, and the manner of dating, numbering and lettering, the Bonds of such Series, provided that such Bonds shall be in denominations of \$5,000 (or in the case of Capital Appreciation Bonds, \$5,000 Maturity Amounts) or any integral multiple thereof as authorized by such Supplemental Resolution;

(f) The Paying Agent or Paying Agents and the place or places of payment of the principal of, redemption premium, if any, and interest on, the Bonds of such Series;

(g) The Redemption Price or Prices, if any, and subject to Article V, the redemption terms for the Bonds of such Series; provided that if such Bonds shall be redeemable by application of any Sinking Fund Installment within the period during which such Sinking Fund Installment (as a Principal Installment) shall be deemed to accrue in accordance with the definition of Debt Service, the sinking fund Redemption Price applicable within such period shall be the same as that applicable on the due date of such Sinking Fund Installment;

(h) The amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series, provided that each Sinking Fund Installment due date shall fall upon an interest payment date for such Bonds;

(i) If so determined by the Authority, the provisions for the sale of the Bonds of such Series;

(j) The forms of the Bonds of such Series, of the coupons to be attached to the coupon Bonds of such Series and of the Trustee's certificate of authentication;

(k) The provisions for the applications of proceeds of such Series of Bonds;

(l) A designation as whether such Series of Bonds shall be secured by the Composite Reserve Subaccount, a separate subaccount in the Reserve Account, or no debt service reserve, and, if secured by a separate subaccount in the Reserve Account, the Debt Service Reserve Requirement with respect thereto;

(m) The terms, if any, upon which the holder of such Bond may elect, or may be required, to tender such Bonds for purchase by the Authority or its designated agent.

(n) A copy of a resolution of the City Council, certified by the City Clerk, approving the issuance of the Bonds to be authenticated.

(3) The amount, if any, necessary, for deposit in the Debt Service Reserve Account in the Bond Fund so that such Account shall equal the applicable Debt Service Reserve Requirement calculated immediately after the authentication and delivery of such Series of Bonds;

(4) Except in the case of Refunding Bonds issued for purposes of refunding Outstanding Bonds, a certificate executed by an Authorized Officer of the Authority and an Authorized Officer of the City stating that neither the Authority nor the City is in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Resolution;

(5) A Counsel's Opinion to the effect that (i) the Authority has the right and power under the Act to adopt the Resolution and the Resolution has been duly and lawfully adopted by the Authority and approved by the City Council, is in full force and effect and is valid and binding upon the Authority and the City, and is enforceable in accordance with its terms (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights) and no other

authorization for the Resolution is required; (ii) the Resolution creates the valid pledge which it purports to create of the moneys, securities and Funds held or set aside under the Resolution and of all Revenues, subject in each case to the application thereof to the purposes and on the conditions permitted by the Resolution; and (iii) the Bonds of such Series are valid and binding limited obligations of the City as provided in the Resolution, and are enforceable in accordance with their terms and the terms of the Resolution (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights) and entitled to the benefits of the Resolution and of the Act, as amended to the date of such Opinion, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act, as amended to the date of such Opinion, and in accordance with the Resolution;

(6) Such further documents, moneys and securities as are required by the provisions of Sections 203, 204 or 205 or Article X or any Supplemental Resolution adopted pursuant to Article X.

2. After the original issuance of Bonds of any Series, except as otherwise provided by Supplemental Resolution, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III or Sections 506 or 1106.

SECTION 203. ~~[Deleted]~~.

SECTION 204. Additional Bonds.

1. ~~[Deleted]~~

2. One or more Series of Additional Bonds may be authorized and delivered upon original issuance for the purpose of paying the Cost of Construction of any Additional Project. The Bonds of any such Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of:

(1) A certificate of an Authorized Officer of the Authority setting forth (i) for any period of 12 consecutive calendar months out of the 30 calendar months next preceding the authentication and delivery of such Series, the Net Revenues for such 12-month period, (ii) the Supplemental Revenues, if any (not to exceed 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues), for such 12-month period, and (iii) the Aggregate

Debt Service of the Outstanding Bonds (including the Aggregate Debt Service with respect to each series of Bonds secured by Supplemental Revenues), for such 12-month period, and demonstrating that for such 12-month period Net Revenues, plus any Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on the Series of Bonds secured thereby, equaled at least 1.25 times the Aggregate Debt Service of the Outstanding Bonds;

(2) A report of the Consulting Engineers setting forth (i) the estimated substantial completion and placed in service date for the Additional Project for which such Series of Additional Bonds is being issued and for any other uncompleted Project, and (ii) an estimate of the Cost of Construction of such Additional Project and of any other uncompleted Project and any other Additional Project (an "Anticipated Additional Project") as to which the Authority expresses, by a certificate of an Authorized Officer of the Authority, its intention and reasonable expectation to undertake prior to the end of the Fiscal Year following the Fiscal Year in which the completion date described in clause (i) is estimated to occur by the Consulting Engineers; and

(3) A report of the Airport Consultant setting forth for each of the three (3) Fiscal Years following the Fiscal Year in which the Consulting Engineers estimate such Additional Project will be substantially completed and placed in service pursuant to clause (i) of paragraph (2) above, estimates, taking into account the effect of any Anticipated Additional Project, of (i) Net Revenues, and Supplemental Revenues, if any, (ii) amounts to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, and (iii) the Aggregate Debt Service (including Aggregate Debt Service for each Series of Bonds secured by Supplemental Revenues) of Outstanding Bonds, and, as estimated by an Authorized Officer of the Authority, with respect to future Series of Bonds, if any, which such Authorized Officer shall estimate (based on the estimate of the Consulting Engineers of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project) will be required to complete payment of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project, for each of the three (3) Fiscal Years following the Fiscal Year in which the Additional Project is estimated by the Consulting Engineers to be completed as provided in clause (i) of paragraph (2) above, and demonstrating that the estimated Net Revenues in each of the Fiscal Years set forth in clause (i) above less the sum of the

amounts to be deposited in certain funds and accounts in each such Fiscal Year set forth in clause (ii) above, and plus the estimated Supplemental Revenues in each of the Fiscal Years set forth in clause (i) above, not to exceed in any such Fiscal Year an amount equal to 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues, is at least equal to 1.25 times the Aggregate Debt Service of the Outstanding Bonds for the corresponding Fiscal Year as set forth in clause (iii) above.

3. The proceeds, including accrued interest, of the Additional Bonds of each Series shall be applied simultaneously with the delivery of such Bonds in accordance with the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

4. The Supplemental Resolution authorizing a Series of Additional Bonds may provide that the holder of any Bond of such Series may demand payment of principal and interest from the Authority within a stated period after delivering notice to a designated agent for the Authority and providing a copy of the notice with the tender of the Bond to such agent and may provide that under certain circumstances the Holder thereof may be required to tender its Bond for purchase. The designated agent for the Authority, in accordance with the terms of a remarketing or replacement agreement, may provide for the resale or redelivery of the Bonds on behalf of the Authority at a price provided for in the agreement. If the Bonds shall not be resold or redelivered within a stated period, the agent for the Authority may be authorized to draw upon a previously executed credit or liquidity agreement between the Authority and one or more banks or other financial or lending institutions permitting the Authority to borrow for payment of the purchase price of the Bonds to which such credit agreement shall pertain. The particular form or forms of such demand provisions, the period or periods for payment of principal and interest after delivery of notice, the appointment of the agent for the Authority, the terms and provisions of the remarketing or replacement agreement, and the terms and provisions of the credit or liquidity agreement shall be as designated by a Supplemental Resolution of the Authority adopted prior to the sale of the applicable Series of Bonds.

Unless otherwise provided by Supplemental Resolution adopted prior to the issuance of the applicable Series of Bonds, a purchase of Bonds by or through a remarketing agent, trustee, auction agent, credit facility provider or the Authority pursuant to an optional or mandatory tender shall not be deemed a redemption of such Bonds and will not be deemed to extinguish or discharge the indebtedness evidenced by such Bonds. Any Bonds purchased by or on behalf of the Authority pursuant to an optional or mandatory tender shall be purchased with the intent that the indebtedness evidenced by such Bonds shall not be extinguished or discharged; such indebtedness shall not be extinguished or discharged and such

Bonds shall remain outstanding hereunder unless and until such Bonds are delivered to the Trustee or Paying Agent therefor for cancellation.

SECTION 205. Refunding Bonds.

1. One or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund (a) all Outstanding Bonds of one or more Series or all or any portion of one or more maturities within a Series, or (b) any Subordinated Indebtedness. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the Funds under the Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

2. Refunding Bonds of each Series issued to refund one or more Series of Outstanding Bonds, or one or more maturities, or any portion of a maturity, within a Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on a redemption date specified in such instructions;

(2) If the Bonds to be refunded are not by their terms subject to redemption within the next succeeding 60 days, irrevocable instructions to the Trustee, satisfactory to it, to make due publication of the notice provided for in Section 1201 to the Holders of the Bonds and coupons being refunded;

(3) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) Investment Securities in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection 2 of Section 1201 and any moneys required pursuant to said subsection 2, which Investment Securities and moneys shall be held in trust and used only as provided in said subsection 2;

(4) Either of the following: (i) a certificate of an Authorized Officer of the Authority setting forth (1) the Aggregate Debt Service

through the date of the latest maturity of any Bonds of any Series then Outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth pursuant to (B) above is no greater than that set forth pursuant to (A) above; or (ii) the certificates required by subsection 2 of Section 204 evidencing that such Series of Refunding Bonds meets the tests provided for by such subsection 2 considering, for all purposes of such certificate and tests, that such Series of Refunding Bonds is a Series of Additional Bonds.

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such Funds and Accounts under the Resolution as shall be provided in the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof and shall be applied to the refunding purposes thereof in the manner provided in said Supplemental Resolution.

3. Each Series of Refunding Bonds issued pursuant to clause (b) of subsection 1 of this Section to refund any outstanding Subordinated Indebtedness shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the documents, securities and moneys required by Section 202) of:

(1) Each of the documents referred to in subsection 2 of Section 204, provided that in the event that an Additional Project for which such Subordinated Indebtedness was incurred shall have been completed, (i) the required statement pertaining to the estimate of the completion date thereof shall no longer be applicable and (ii) the period of time to be covered under the provisions of subparagraph (3) of subsection 2 of Section 204 shall be the three (3) Fiscal Years following the Fiscal Year in which such Series of Refunding Bonds are issued;

(2) A certificate of the Trustee then duly appointed or acting under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness, or of an Authorized Officer of the Authority if there shall be no such trustee, that (i) provision has been duly made for the redemption or payment at maturity of such Subordinated Indebtedness in accordance with the terms thereof, (ii) the pledge, if any, pursuant to Section 414 securing such Subordinated Indebtedness, and all other rights granted by such indenture, resolution or instrument shall have been discharged and satisfied, and (iii) such trustee or the paying agents for such

Subordinated Indebtedness hold in trust the moneys required to effect such redemption or payment;

(3) A certificate of an Authorized Officer of the Authority stating that the Authority is not in default in the performance of any of the covenants in the Resolution; and

(4) A Counsel's Opinion to the effect that all actions required under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness to provide for the redemption or payment of such Subordinated Indebtedness have been taken.

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such Funds and Accounts under the Resolution as shall be provided in the Supplemental Resolution authorizing such Series or determining the terms and details thereof and shall be applied to refund such Subordinated Indebtedness, including expenses in connection therewith, in the manner provided in said Supplemental Resolution.

SECTION 206. Qualified Derivative Agreements. The Authority may enter into one or more Qualified Derivative Agreements with respect to all or a portion of the Debt Service with respect to Bonds outstanding hereunder; provided, however, that if such Qualified Derivative Agreement is not entered into at the time of initial issuance of the Bonds to which it applies, the Authority must deliver the report described in subparagraph (3) of Subsection 204-2 above, applying the same to all Bonds then Outstanding, but using the assumptions provided in the definition of "Debt Service" with respect to the Qualified Derivative Agreement and the portion of Debt Service to which it relates as of the effective date of such Qualified Derivative Agreement. Qualified Derivative Payments received by the Authority under any Qualified Derivative Agreement shall be deposited upon receipt in the Revenue Fund.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 301. Medium of Payment; Form and Date; Letters and Numbers; Accrual and Payment of Interest; Place of Payment.

1. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

2. The Bonds of each Series shall be issued in the form of coupon Bonds and/or in the form of fully registered Bonds without coupons as provided in this Resolution or the Supplemental Resolution authorizing such Series.

3. Each Bond shall be lettered and numbered as provided in this Resolution or the Supplemental Resolution authorizing the Series of which such Bond is a part and so as to be distinguished from every other Bond.

4. Coupon Bonds of each Series shall be dated as provided in this Resolution or the Supplemental Resolution authorizing the Bonds of such Series. Coupon Bonds of each Series shall bear interest from their date, payable, in the case of installments due on and prior to maturity, in accordance with, and upon surrender of, the appurtenant interest coupons as they severally mature. Except as may be otherwise provided by the Supplemental Resolution authorizing a Series of Bonds, registered Bonds of each Series shall be dated as of the date six months preceding the interest payment date next following the date of authentication thereof by the Trustee, unless such date of authentication shall be an interest payment date, in which case they shall be dated as of such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of any Series shall be in default, the registered Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered; provided, further, that if the date of authentication shall be prior to the first interest payment date for the Bonds of such Series, registered Bonds shall be dated as provided in the Supplemental Resolution authorizing the Bonds of such Series or containing the terms and details thereof. Registered Bonds of each Series shall bear interest from their date.

5. The interest on, and principal and Redemption Price (if any) of, each Series of Bonds shall be payable at a designated office of each Paying Agent named in the Supplemental Resolution relating to such Series of Bonds.

SECTION 302. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, the Act, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

SECTION 303. Execution and Authentication.

1. The Bonds and any coupons appertaining thereto shall be signed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the Chairman of the Board. The seal of the

City (or a facsimile thereof) shall be impressed, imprinted or lithographed thereon and attested by the manual or facsimile signature of the City Clerk, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds or coupons appertaining thereto shall cease to be such officer before such Bonds and coupons so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds and coupons may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds and coupons had not ceased to hold such offices. Any Bond or coupons of a Series may be signed and sealed by such persons as at the time of the execution of such Bonds or coupons shall be duly authorized or hold the proper office, although at the date borne by the Bonds and coupons of such Series such persons may not have been so authorized or have held such office.

2. The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in this Resolution or the Supplemental Resolution authorizing such Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Bond and no coupon thereunto appertaining shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the Holder thereof is entitled to the benefits of the Resolution.

3. Except as otherwise provided in Section 307, the Trustee, before authenticating and delivering any coupon Bonds, shall cut off, cancel and destroy all matured coupons thereto attached, except matured coupons for which payment in full has not been made or provided for; provided, however, that when coupon Bonds are issued in exchange for registered Bonds of any Series upon which interest is in default, as shown by the records of the Trustee, such coupon Bonds shall have attached thereto all coupons maturing after the date to which interest has been paid in full, as shown by the records of the Trustee, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

SECTION 304. Interchangeability of Bonds.

1. Coupon Bonds, upon surrender thereof at the principal office of the Trustee with all unmatured coupons attached, may, at the option of the Holder thereof, and upon payment by such Holder of any charges which the Trustee may make as provided in Section 306, be exchanged for an equal aggregate principal

amount of registered Bonds of the same Series and maturity of any of the authorized denominations.

2. Registered Bonds, upon surrender thereof at the principal office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his duly authorized attorney, may, at the option of the registered owner thereof, and upon payment by such registered owner of any charges which the Trustee may make as provided in Section 306, be exchanged for an equal aggregate principal amount of coupon Bonds of the same Series and maturity with appropriate coupons attached, or of registered Bonds of the same Series and maturity of any other authorized denominations.

SECTION 305. Negotiability, Transfer and Registry.

1. Title to any coupon Bond, and to any coupons shall pass by delivery as negotiable instruments payable to bearer.

2. Each registered Bond shall be transferable only upon the books of the Authority, which shall be kept for the purpose at the principal office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such registered Bond the Authority shall issue in the name of the transferee a new registered Bond or Bonds or, at the option of the transferee, coupon Bonds, with appropriate coupons attached, of the same aggregate principal amount, or in the case of Capital Appreciation Bonds, of the same aggregate Maturity Amount, and Series and maturity as the surrendered Bond.

3. The Authority and each Fiduciary may deem and treat the person in whose name any registered Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of, and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary.

SECTION 306. Regulations With Respect to Exchanges and Transfers.

In all cases in which the privilege of exchanging Bonds or transferring registered Bonds is exercised, the City shall execute and the Authority shall countersign and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Resolution. All Bonds and coupons surrendered in any such exchanges or

transfers shall forthwith be cancelled by the Trustee or shall be retained in safekeeping by the Trustee until such Bonds are needed for a later exchange. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, governmental fee or other governmental charge required to be paid with respect to such exchange or transfer. Except as may be otherwise provided with respect to a Series of Bonds by the Supplemental Resolution authorizing such Series of Bonds, neither the Authority nor the Trustee shall be required (a) to transfer or exchange Bonds of any Series for a period of ten (10) days next preceding an interest payment date on the Bonds of such Series or next preceding any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notices of redemption, or (b) to transfer or exchange any Bonds called for redemption.

SECTION 307. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute, and the Authority shall countersign and thereupon the Trustee shall authenticate and deliver, a new Bond (with appropriate coupons attached in the case of coupon Bonds) of like Series, maturity and principal amount as the Bonds and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond and attached coupons, if any, have been destroyed, stolen or lost and proof of ownership thereof, upon furnishing the Authority and the Trustee with a surety bond in an amount satisfactory to them, upon the payment of the cost of preparing and issuing the new Bond, and upon complying with such other reasonable conditions and regulations as the Authority and Trustee may prescribe and paying such other expenses as the Authority and Trustee may incur. All Bonds and coupons so surrendered to the Trustee shall be cancelled by it. Any such new Bonds or coupons issued pursuant to this Section in substitution for Bonds or coupons alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds and coupons so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be entitled to equal and proportionate benefits with all other Bonds and coupons issued under the Resolution, and shall be equally secured by any moneys or securities held by the Authority or the Fiduciary for the benefit of the Bondholders.

SECTION 308. Temporary Bonds.

1. Until the definitive Bonds of any Series are prepared, the City may execute and the Authority may countersign, in the same manner as is provided in Section 303, and, upon the request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same

provisions, limitations and conditions as the definitive coupon Bond except as to the denominations thereof or as to exchangeability for registered Bonds, one or more temporary Bonds (which may be registerable as to principal and interest) substantially of the tenor of the definitive coupon Bonds in lieu of which such temporary Bond or Bonds are issued, but with or without coupons, in denominations of \$5,000 or any multiples thereof authorized by the Authority, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds in bearer form shall be payable only upon the presentation and surrender of the coupons therefor attached thereto or upon presentation of such temporary Bonds for notation thereon of the payment of such interest. The Authority at its own expense shall prepare and countersign and the City shall execute, upon the surrender of such temporary Bonds, with all unmatured coupons, and all matured coupons for which no payment or only partial payment has been provided, attached, for exchange and the cancellation of such surrendered temporary Bonds and coupons, the Trustee shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, definitive coupon Bonds, with appropriate coupons attached, or, at the option of the Holder, definitive registered Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to the Resolution.

2. If the Authority shall authorize the issuance of temporary Bonds in more than one denomination, the Holder of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and Series and maturity of any other authorized denomination or denominations, and thereupon the City shall execute the Authority shall countersign and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 306, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other authorized denomination or denominations as shall be requested by such Holder.

3. All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

SECTION 309. Cancellation and Destruction of Bonds or Coupons.
All Bonds paid or redeemed, either at or before maturity, together with all unmatured coupons, if any, appertaining thereto, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds and coupons, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. All interest coupons shall be promptly cancelled upon their payment and delivered

to the Trustee. Bonds and coupons so cancelled may at any time be destroyed by the Trustee, which shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Bonds and coupons so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

SECTION 401. The Pledge Effected by the Resolution.

1. There are hereby pledged for the payment of the principal and Redemption Price of, and interest on, the Bonds, in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, (i) the proceeds of sale of the Bonds, (ii) all Revenues, and (iii) all Funds established by the Resolution, including the investments, if any, thereof, provided, however, that each of the separate subaccounts in the Reserve Account shall secure only those series of Bonds designated by Supplemental Resolution to be secured by such separate subaccount and provided further that any Supplemental Revenues deposited in the Debt Service Account shall only be available and used to pay the principal of and interest on the Bonds of the Series to which such Supplemental Revenues are pledged.

2. Such proceeds of sale of the Bonds, the Revenues, and the other moneys and securities hereby pledged shall immediately be subject to the lien of this pledge as set forth in subsection 1 hereof without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority or the City, irrespective of whether such parties have notice thereof.

SECTION 402. Establishment of Funds. The following Funds are hereby established:

- (1) Airport Facilities Construction Fund, to be held by the Special Trustee;
- (2) Airport Facilities Revenue Fund, to be held by the Special Trustee;
- (3) Airport Facilities Bond Fund, to be held by the Trustee, consisting of a Debt Service Account and a Debt Service Reserve Account, consisting of a Composite Reserve Subaccount and such additional reserve subaccounts as may be established with respect to particular Series of Bonds;

- (4) Airport Facilities Operation and Maintenance Fund, to be held by the Authority, which includes the Operation and Maintenance Reserve Account;
- (5) Airport Facilities Capital Expenditures Fund, to be held by the Authority;
- (6) Airport Facilities Renewal and Replacement Fund, to be held by the Authority;
- (7) Airport Facilities Improvement and Development Fund, to be held by the Authority; and
- (8) Airport Facilities Discretionary Fund, including the PFC Account hereby established as a separate account therein, to be held by the Authority.

SECTION 403. Construction Fund.

1. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution or any Supplemental Resolution and there may be paid into the Construction Fund, at the option of the Authority, any moneys received for or in connection with the Airport System by the Authority from any other source, unless required to be otherwise applied as provided by the Resolution.

2. The Special Trustee shall establish within the Construction Fund a separate account for each Additional Project the costs of which are to be paid in whole or in part out of the Construction Fund.

3. During the period of construction, the proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to any Additional Project, or of contractors' performance bonds with respect thereto, pertaining to the period of construction thereof shall be paid into the appropriate separate account in the Construction Fund.

4. Amounts in each separate account established for an Additional Project shall be applied to the purpose or purposes specified in the Supplemental Resolution authorizing the Bonds issued with respect to such Additional Project, or, if no Bonds are so issued, to the purpose or purposes specified in a resolution of the Authority, a copy of which, certified by an Authorized Officer of the Authority, shall be filed with the Special Trustee.

5. Before any such application of any amounts in the Construction Fund shall be made, the Authority shall file with the Special Trustee a requisition, signed by an Authorized Officer of the Authority designated by resolution of the Authority for such purpose, showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid, and stating

that the obligation to be paid was incurred and is a proper charge against the Construction Fund. Each such requisition shall be sufficient evidence to the Special Trustee:

(a) that obligations in the stated amounts have been incurred by the Authority and that each item thereof is a proper charge against the Construction Fund; and

(b) that there has not been filed with or served upon the Authority notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

6. To the extent that other moneys are not available therefor in any other Fund, amounts in the Construction Fund shall be applied to the payment of the principal of and interest on Bonds when due, unless such use would cause interest on Bonds (other than Bonds issued with the intent that interest thereon be includable in gross income for federal income tax purposes) not to be excluded from gross income for federal income tax purposes.

7. The completion of construction of any Additional Project shall be evidenced by a certificate of the Consulting Engineers, which shall be filed promptly with the Special Trustee, stating the date of such completion and the amount, if any, required in the opinion of the signer for the payment of any remaining part of the Cost of Construction of such Additional Project, and that such Additional Project has been completed in accordance with the plans and specifications applicable thereto. Upon the filing of such certificate, the balance in the separate account in the Construction Fund established therefor in excess of the amount, if any, stated in such certificate shall be deposited in the applicable Debt Service Reserve Account within the Bond Fund, if and to the extent necessary to make the amount in such Account equal to the Debt Service Reserve Requirement. Any balance, shall be (i) transferred by the Special Trustee to the Trustee for deposit in the Debt Service Account within the Bond Fund and applied by the Trustee to the retirement of Bonds by purchase or redemption or (ii) shall be used to pay for costs of improvements to the Airport System, as the Authority shall direct.

SECTION 404. [Deleted].

SECTION 405. Deposit of Revenues.

1. All Revenues shall be promptly deposited by the Authority into the Revenue Fund. As soon as practicable in each month after the deposit of Revenues in the

Revenue Fund but in any case no later than five (5) business days before the end of such month, the Special Trustee shall withdraw from the Revenue Fund and transfer to the Trustee or the Authority, as the case may be, for deposit in the following Funds or transfer to the entities described below in the following order of priority the amounts set forth below:

(1) To the Operation and Maintenance Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for Operation and Maintenance Expenses for the then current Fiscal Year as set forth in the then current Annual Budget;

(2) To the Bond Fund for credit to the Debt Service Account, if and to the extent required so that the balance in said Account shall equal the Accrued Aggregate Debt Service; provided that, for the purposes of computing the amount in said Account, there shall be excluded the amount, if any, set aside in said Account which was deposited therein from the proceeds of each Series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of such Series (or any Refunding Bonds issued to refund such Bonds), other than with respect to Capital Appreciation Bonds, to the last day of the then current calendar month;

(3) Except as otherwise provided below, to the Bond Fund for the credit of the applicable subaccounts in the Debt Service Reserve Account, an amount, if and to the extent necessary, so that the balance in each subaccount shall equal the Debt Service Reserve Requirement with respect thereto;

(4) To the trustee, paying agent or holders of any Subordinated Indebtedness, such amount and at such times as shall be sufficient, taking into account any Subordinated Pledged Revenues, to pay the principal of and interest becoming due in the next succeeding month on any Subordinated Indebtedness, including any obligations to set aside or deposit moneys for future debt service payments, in the manner set forth in the Issuing Instrument(s) for the Subordinated Indebtedness;

(5) To the deposit to any debt service reserve account established by an Issuing Instrument for Subordinated Indebtedness such amount and at such times as shall be required by the terms of the Issuing Instrument;

(6) To the Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount which is equal to the difference between the sum on deposit in said Account at the beginning of the then Fiscal Year and one-sixth of the Operation

and Maintenance Expenses for the then Fiscal Year as set forth in the then current Annual Budget;

(7) To the Capital Expenditures Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency;

(8) To the Renewal and Replacement Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, no deposit shall be required to be made into said Fund whenever and as long as uncommitted moneys in said Fund are equal to \$2,000,000 or such other greater amount as provided therefor by the Authority as necessary for the purposes of said Fund; and provided further that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency; and

(9) To the Discretionary Fund, any amount remaining after making the deposits required by clauses (1) through (8) above.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to make up any deficiencies or losses that may otherwise arise in such Fund and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Debt Service Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding hereunder secured by a subaccount in the Debt Service Reserve Account.

Notwithstanding anything herein to the contrary, the Authority shall not be required to fully-fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product

Provider in an amount equal to the difference between the applicable Debt Service Reserve Requirement and the sums then on deposit in the applicable subaccount in the Reserve Account. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held hereunder for a payment with respect to the applicable Series of Bonds which cannot be cured by funds in any other account held pursuant to this Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof. If a disbursement is made from a Reserve Product as provided above, the Authority shall be obligated to reinstate the maximum limits of such Reserve Product immediately following such disbursement or to replace such Reserve Product by depositing into the applicable subaccount in the Debt Service Reserve Account from the first Revenues available for deposit pursuant to clause 1.(3) above after the deposits required by clauses 1.(1) and (2) above, funds in the maximum amount originally payable under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements made pursuant to such Reserve Product, or a combination of such alternatives, and for purposes of clause 1.(3), amounts necessary to satisfy such reimbursement obligation and other obligations of the Authority to such a Reserve Product Provider shall be deemed required deposits into the applicable subaccount in the Reserve Account, but shall be used by the Authority to satisfy its obligations to the Reserve Product Provider.

Also notwithstanding anything herein to the contrary, the Authority shall not be required to fund fully a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it elects by Supplemental Resolution adopted prior to the issuance of any Series of Bonds and subject to the limits described below, to fully fund the applicable subaccount over a period specified in such Supplemental Resolution not to exceed sixty (60) months during which it shall make substantially equal monthly installments in order that the amount on deposit in such subaccount in the Debt Service Reserve Account at the end of such period shall equal the applicable Debt Service Reserve Requirement with respect thereto. The aggregate amounts which may be permitted to be deposited in installments at any time shall not exceed 75% of the applicable Debt Service Reserve Requirement with respect to such subaccount in the Debt Service Reserve Account. If a subaccount in the Debt Service Reserve Account is to be initially funded in installments, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to make the required monthly installments specified in the Supplemental Resolution, plus an amount necessary to make up any deficiencies caused by withdrawals or resulting from valuations of the funds on deposit therein.

2. At such time as the total amount held in the Debt Service Account and the Debt Service Reserve Account shall be sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal of, applicable sinking fund

Redemption Price and interest thereon), no further deposits shall be required to be made into such Accounts and the Bonds shall no longer be deemed Outstanding pursuant to this Resolution.

SECTION 406. Bond Fund - Debt Service Account.

1. The Trustee shall pay out of the Debt Service Account to the respective Paying Agents (i) on or before each interest payment date for any of the Bonds, the amount required for the interest payable on such date; (ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (iii) on or before the day preceding any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents on and after the due dates thereof. The Trustee shall also pay out of the Debt Service Account the accrued interest included in the purchase price of Bonds purchased for retirement.

Notwithstanding anything provided in this Section 406 to the contrary, if principal, interest or premium payments on Bonds have been paid on behalf of the Authority by a bond insurer or the provider of any credit or liquidity facility or any other entity insuring, guarantying or otherwise providing for the payment of the Bonds, or any Series thereof, moneys on deposit in the Debt Service Account and allocable to such Bonds shall be paid to such bond insurer or provider of the liquidity facility or credit facility or other entity having heretofore made a corresponding payment on the Bonds.

2. Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) may and, if so directed by the Authority, shall be applied by the Trustee, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the applicable sinking fund Redemption Prices, pursuant to Article V, of such Bonds, if then redeemable by their terms. After the 60th day but on or prior to the 40th day preceding the due date of such Sinking Fund Installment, any amounts then on deposit in the Debt Service Account (exclusive of amounts, if any, set aside in said Fund which were deposited therein from the proceeds of Additional Bonds) may, and if so directed by the Authority, shall be applied by the Trustee to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection 2 shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and

such purchases shall be made in such manner as the Trustee shall determine. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of such Fund. As soon as practicable after the 40th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 505, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment).

3. The amount, if any, deposited in the Debt Service Account from the proceeds of each Series of Bonds shall be set aside in such Fund and applied to the payment of interest on the Bonds of such Series (or Refunding Bonds issued to refund such Bonds) as the same becomes due and payable.

SECTION 407. Bond Fund - Debt Service Reserve Account.

1. If, on the final business day of any month the amount in the Debt Service Account shall be less than the amount required to be in such Account pursuant to subsection 1 of Section 405, the Trustee shall apply amounts from the applicable subaccounts in the Debt Service Reserve Account to the extent necessary to make good the deficiency; provided, however, that amounts in the separate subaccounts in the Debt Service Reserve Account shall be used only for the purpose of curing deficiencies with respect to the Series of Bonds secured by such subaccount. Any proceeds received from a Reserve Product shall be applied to cure deficiencies in the Debt Service Account only with respect to the Series of Bonds for which such Reserve Product was provided.

2. Whenever the moneys on deposit in a subaccount in the Debt Service Reserve Account shall exceed the applicable Debt Service Reserve Requirement, the Trustee, at the direction of an Authorized Officer of the Authority, shall allocate and apply the amount of such excess in the same manner as Revenues, pursuant to Section 405.

3. Whenever the amounts in the applicable subaccounts in the Debt Service Reserve Account, together with the amount in the Debt Service Account, is sufficient to pay fully all Outstanding Bonds in accordance with their

terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent deemed necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on the Bonds Outstanding secured by the applicable subaccount in the Debt Service Reserve Account.

4. Notwithstanding the foregoing, if one or more subaccounts in the Debt Service Reserve Account have been funded with cash or Investment Securities and no event of default shall have occurred and be continuing hereunder, the Authority may, at any time in its discretion, substitute a Reserve Product meeting the requirements of this Resolution for the cash and Investment Securities in any such subaccount, and the Authority may then withdraw such cash and Investment Securities from such account and deposit them to the credit of the Revenue Fund so long as (i) the same does not adversely affect any rating by a Rating Agency then in effect for the applicable Series of Outstanding Bonds and (ii) the Authority obtains an opinion of Bond Counsel that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the applicable Series of Bonds (if other than Taxable Bonds) for federal income tax purposes.

Cash on deposit in the applicable subaccount in the Debt Service Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product. If and to the extent that more than one Reserve Product is deposited in the applicable subaccount in the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

SECTION 408. Operation and Maintenance Fund.

1. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses.

2. Amounts in the Operation and Maintenance Fund which the Authority at any time determines to be in excess of the requirements of such Fund shall be paid over by the Authority to the Special Trustee for deposit into the Revenue Fund and applied in accordance with Section 405.

3. There is hereby established in the Operation and Maintenance Fund a separate account to be known as the Operation and Maintenance Reserve

Account. Moneys to the credit of said Account shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses to the extent that sufficient funds are not available within the Operation and Maintenance Fund for such purposes.

4. If at any time amounts on deposit in the Maintenance Reserve Account are in excess of 1/6 of the Operation and Maintenance Expenses with respect to the Airport System as set forth in the then current Annual Budget, the Authority shall pay such excess to the Special Trustee for application in accordance with Section 405.

SECTION 409. Capital Expenditures Fund.

1. Moneys in the Capital Expenditures Fund may be applied to purchase items of equipment and other capital items for use in connection with the Airport System.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Discretionary Fund, the Improvement and Development Fund and the Renewal and Replacement Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Capital Expenditures Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Discretionary Fund, the Improvement and Development Fund and the Renewal and Replacement Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Capital Expenditures Fund to the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

SECTION 410. Renewal and Replacement Fund.

1. Moneys in the Renewal and Replacement Fund may be applied to pay costs of unanticipated or emergency replacements and repairs to the Airport System.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Discretionary Fund and the Improvement and Development Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Trustee shall transfer from the Renewal

and Replacement Fund to the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Discretionary Fund, and the Improvement and Development Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Trustee shall transfer from the Renewal and Replacement Fund to the Authority for deposit in the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

SECTION 411. Discretionary Fund.

1. If at any time the moneys in the Debt Service Account and the Debt Service Reserve Account shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Discretionary Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

2. To the extent not required to meet a deficiency as required in subsection 1 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Discretionary Fund to the Operation and Maintenance Fund the amount necessary (or all moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. Amounts in the Discretionary Fund not required to meet a deficiency as required in subsections 1 and 2 of this Section may, at the discretion of the Authority and, with respect to amounts in the PFC Account, subject to subsection 6 below, be applied to any one or more of the following purposes:

(a) the purchase or redemption of any Bonds, and expenses in connection with the purchase or redemption of any such Bonds;

(b) payments of principal or redemption price of and interest on any Subordinated Indebtedness;

(c) payments into any separate account or accounts established in the Construction Fund for application in a manner consistent with the purposes of such account;

(d) improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport System or the provision of one or more reserves therefor; and

(e) any other corporate purpose of the Authority in connection with the Airport System;

provided that, subject to the provisions of subsection 1 and 2 of this Section, amounts deposited in the Discretionary Fund and required by the Resolution to be applied to the purchase or redemption of Bonds shall be applied to such purpose in such manner as the Authority shall determine.

4. Subject to the provisions of this Section and the terms of any pledge securing Subordinated Indebtedness pursuant to Section 414, amounts in the Discretionary Fund shall be applied to the purposes specified in subsection 3.

5. Whenever any moneys in the Discretionary Fund or the Improvement and Development Fund are to be applied to the purchase or redemption of Bonds, the Authority shall deposit such moneys with the Trustee, in a separate account established for such purpose, and shall give written instructions to the Trustee to make such purchase or redemption in accordance with the provisions of the Resolution. Upon any such purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part (an integral multiple of \$5000) or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

6. Amounts in the PFC Account in the Discretionary Fund not required to meet a deficiency as required by subsections 1 and 2 of this Section may be withdrawn by the Authority at any time and shall be applied by the Authority, in its discretion, for permitted purposes, in accordance with the applicable approvals and authorizations of the FAA and applicable FAA Regulations.

SECTION 412. Improvement and Development Fund.

1. Moneys in the Improvement and Development Fund may be applied to costs of the Airport Improvement and Development Plan for the then current Fiscal Year or to the purchase or Redemption of Bonds, including any expenses in connection with such purchase or redemption. Whenever moneys in the Improvement and Development Fund are applied to the purchase or redemption of Bonds, the provisions of paragraph 5 of Section 411 shall equally apply.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account and the Discretionary Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Improvement and Development Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) and the Discretionary Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Improvement and Development Fund to the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

4. At such time as all amounts on deposit in the Improvement and Development Fund have been spent or transferred to other Funds, the Improvement and Development Fund shall be closed and no longer used in connection with this Resolution.

SECTION 413. [Deleted].

SECTION 414. Subordinated Indebtedness. The Authority may, at any time, or from time to time, issue Subordinated Indebtedness. Such Subordinated Indebtedness shall be payable out of, and may be secured pursuant to the Issuing Instrument by a pledge of the moneys deposited pursuant to Sections 405 1.(4) and (5) hereof, any Subordinated Pledged Revenues and such amounts in the Discretionary Fund as may from time to time be available for the purpose of payment thereof as provided in Section 411 hercof; provided, however, that (i) such Subordinated Indebtedness shall be incurred only for any one or more of the purposes set forth in subsection 3 of Section 411 and the proceeds of such Subordinated Indebtedness shall only be applied for such purpose or purposes, and (ii) such pledge provided for Subordinated Indebtedness shall be, and shall be

expressed to be, subordinated in all respects to the pledge created by this Resolution.

SECTION 415. Application of Supplemental Revenues. Each month, all Supplemental Revenues, up to the Accrued Aggregate Debt Service with respect to the Series of Bonds secured by such Supplemental Revenues, shall be deposited to the Bond Fund for the credit of the Debt Service Account and, anything provided herein to the contrary notwithstanding, shall be used solely to pay debt service on the Series of Bonds secured by such Supplemental Revenues. Supplemental Revenues deposited in the Debt Service Account shall be used to pay debt service on the Series of Bonds secured thereby prior to the use of any Revenues.

ARTICLE V

REDEMPTION OF BONDS

SECTION 501. Privilege of Redemption and Redemption Price. Bonds subject to redemption, in whole or in part, prior to maturity pursuant to this Resolution or a Supplemental Resolution shall be redeemable, upon published notice as provided in this Article V, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article V as may be specified in this Resolution or in the Supplemental Resolution authorizing such Series.

SECTION 502. Redemption at the Election or Direction of the City. In the case of any redemption of Bonds at the election or direction of the City, the Authority shall give written notice to the Trustee of the City's election or direction so to redeem, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the City in its sole discretion, subject to any limitations with respect thereto contained in the Resolution). Such notice shall be given at least 45 days prior to the redemption date. In the event notice of redemption shall have been given as provided in Section 505 there shall be paid prior to the redemption date to the appropriate Paying Agents an amount in cash which, in addition to other moneys, if any, available therefor held by such Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The Authority shall promptly notify the Trustee in writing of all such payments by it to a Paying Agent.

SECTION 503. Redemption Otherwise Than at City's Election or Direction. Whenever by the terms of the Resolution the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the City, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and

pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article V and, to the extent applicable, Section 506.

SECTION 504. Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portion of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Bond of a denomination of more than \$5,000 (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds) to be redeemed shall be in the principal amount of \$5,000 or any integral multiple thereof (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds), or with respect to Capital Appreciation Bonds, the Maturity Amount of \$5,000 or an integral multiple thereof, and that in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of \$5,000 denomination (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds) which is obtained by dividing the principal amount or, with respect to Capital Appreciation Bonds, Maturity Amount of such Bond to be redeemed in part by \$5,000 (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds).

Upon any purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established in advance of their scheduled maturity or mandatory redemption date, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part (an integral multiple of \$5,000, or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds) or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

SECTION 505. Notice of Redemption. . When the Trustee shall receive notice from the Authority of the City's election or direction to redeem Bonds pursuant to Section 502, and when redemption of Bonds is authorized or required pursuant to Section 503, the Trustee shall give notice of the redemption of such

Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall specify the respective portions of the principal amount, or with respect to Capital Appreciation Bonds, the portion of the Maturity Amount, thereof to be redeemed, and with respect to Capital Appreciation Bonds, the applicable Accreted Value of the Bonds to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only together with interest accrued to the redemption date with respect to Bonds other than Capital Appreciation Bonds, and the Accreted Value of Capital Appreciation Bonds, and that from and after such date interest thereon shall cease to accrue and be payable and the value of Capital Appreciation Bonds shall cease to accrue. Such notice shall be given by publication once a week for at least three successive weeks in Authorized Newspapers, the first such publication to be not less than 30 days nor more the 60 days prior to the redemption date. The Trustee shall also mail a copy of such notice, postage prepaid, not less than 25 days before the redemption date, to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds. The foregoing notwithstanding, with respect to Series of Bonds originally issued after June 1, 1993, if all of the Bonds of such Series to be redeemed are in fully registered form, no newspaper publication shall be required and notice of redemption shall be given by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty and not more than sixty days before the redemption date to all registered owners of the Bonds or portions of the Bonds to be redeemed at their last addresses as they appear on the registration books maintained in accordance with the provisions hereof. Failure to mail any such notice to a registered owner of a Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no such failure or defect occurred. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice. The foregoing notwithstanding, the Authority may provide redemption notice requirements different than those provided in this Section 505 with respect to a Series of Bonds by Supplemental Resolution authorizing such Series of Bonds.

SECTION 506. Payment of Redeemed Bonds. Notice having been given in the manner required in Section 505, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated

at the Redemption Price, plus, with respect to Bonds other than Capital Appreciation Bonds, interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, together with, in the case of coupon Bonds, all appurtenant coupons maturing subsequent to the redemption date, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus, with respect to Bonds other than Capital Appreciation Bonds, interest accrued and unpaid to the redemption date not represented by coupons for matured interest installments. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If there shall be drawn for redemption less than all of a registered Bond, the City shall execute and the Authority shall countersign and the Trustee shall authenticate and the Paying Agent shall deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount, or in the case of Capital Appreciation Bonds, the unredeemed balance of the Maturity Amount, of the Bond so surrendered, at the option of the owner thereof, other than with respect to Capital Appreciation Bonds which shall be delivered only as registered Bonds, either coupon Bonds (if such Series of Bonds is authorized to be issued in the form of Coupon Bonds) or registered Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, including the Accreted Value of Capital Appreciation Bonds to be redeemed on such date, and together with interest to the redemption date on Bonds other than Capital Appreciation Bonds, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as required in Section 505, then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable and with respect to Capital Appreciation Bonds that bear no stated interest, principal of such Capital Appreciation Bonds or portions thereof of such Series and maturity so called for redemption shall cease to appreciate, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and the principal of Capital Appreciation Bonds that bear no stated interest shall continue to appreciate at the same rate as it would have had such Capital Appreciation Bonds not been called for redemption.

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Depositaries. All moneys held by the Trustee or the Special Trustee under the provisions of the Resolution shall be deposited with the Trustee or the Special Trustee as the case may be, including one or more Depositaries in trust for the Trustee or the Special Trustee. All moneys held by the Authority under the Resolution shall be deposited in one or more Depositaries in the name of the Authority. Moneys to be deposited in a particular Fund or Account under the Resolution may be deposited with more than one Depositary, provided that such moneys be credited to such Fund or Account. Each Depositary shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$1,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Resolution. All moneys deposited under the provisions of the Resolution with the Trustee, Special Trustee or any Depositary shall be held in trust and applied only in accordance with the provisions of the Resolution, and each of the Funds established by the Resolution shall be a trust fund for the purposes thereof.

SECTION 602. Deposits.

1. All moneys held by any Depositary under the Resolution may be placed on demand or time deposit, if and as directed by the Authority, provided that such deposits shall permit the moneys so held to be available for use at the time when needed. The Authority shall not be liable for any loss or depreciation in value resulting from any investment made pursuant to the Resolution. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. All moneys held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Authority and acceptable to such Fiduciary, on time deposit, provided that such moneys on time deposit be available for use at the time when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

2. All moneys held under the Resolution by the Trustee, Special Trustee or any Depositary shall be continuously and fully secured for the benefit of the Authority and the Holders of the Bonds and coupons, either (a) by lodging with the Trustee or the Special Trustee, as the case may be, as custodian, as collateral security, direct obligations of or obligations guaranteed by the United States of

America having a market value (exclusive of accrued interest) not less than the amount of such moneys, or (b) in such other manner as may then be required by applicable Federal or State of Florida laws and regulations regarding security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Fiduciaries to give security under this subsection 2 for the deposit of any moneys with them held in trust and set aside by them for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee, Special Trustee or any Depositary to give security for any moneys which shall be represented by obligations purchased as an investment of such moneys.

3. All moneys deposited with the Trustee, Special Trustee and each Depositary shall be credited to the particular Fund or Account to which such moneys belong.

SECTION 603. Investment of Certain Funds. Moneys held in the Debt Service Account and the Debt Service Reserve Account shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Accounts, and in the case of the Debt Service Reserve Account not later than 15 years (unless such securities shall be redeemable at the option of the holder thereof, in which event such securities may mature at a date no later than the final maturity date of the Bonds). The Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the Authority. Moneys in the Revenue Fund and the Construction Fund may be invested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed to provide payments from such Funds. The Special Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the Authority. Moneys in the Operation and Maintenance Fund, including amounts in the Operation and Maintenance Reserve Account, may be invested by the Authority in Investment Securities which mature within 12 months and moneys in the Capital Expenditures Fund, the Renewal and Replacement Fund, the Improvement and Development Fund and the Discretionary Fund may be invested in Investment Securities which mature within 5 years, and in any case not later than such times as shall be necessary to provide moneys when needed for payments from such respective Funds.

Interest earned on any moneys or investments in any such Accounts or Funds other than the Construction Fund shall be paid into the Revenue Fund. Interest earned on any moneys or investments in a separate account in the Construction Fund shall be held in such account for the purposes thereof.

The Authority agrees that broker confirmations of investments are not required to be issued by either the Trustee or the Special Trustee for each month in which a monthly statement is rendered by the Trustee or the Special Trustee, respectively.

SECTION 604. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Account or Fund shall be deemed at all times to be a part of such Account or Fund and any profit realized from the liquidation of such investment shall be credited to such Account or Fund and any loss resulting from the liquidation of such investment shall be charged to the respective Account or Fund.

In computing the amount in any Account or Fund created under the provisions of the Resolution for any purpose provided in the Resolution, obligations purchased as an investment of moneys therein shall be valued at cost or the principal amount thereof, whichever is lower, exclusive of accrued interest, except that such investments in the Debt Service Reserve Account shall be valued at the cost or market price thereof whichever is lower, exclusive of accrued interest. The valuation of such Accounts and Funds shall be made as of March 31 and September 30 in each year.

Except as otherwise provided in the Resolution, the Trustee and the Special Trustee shall sell at the best price obtainable, or present for redemption, any obligation so purchased as an investment whenever it shall be requested in writing by an Authorized Officer of the Authority so to do whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Account or Fund held by the Trustee or Special Trustee. Neither the Trustee nor the Special Trustee shall be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

ARTICLE VII

PARTICULAR COVENANTS OF THE AUTHORITY

SECTION 701. Effect of Covenants. The Authority hereby particularly covenants and agrees with the Trustee and with the Holders of the Bonds and coupons, and makes provisions which shall be a part of the contract with such Holders, to the effect and with the purpose set forth in the following Sections of this Article VII.

SECTION 702. Payment of Principal, Premium, if any, and Interest. The Authority will promptly pay or cause to be paid, but solely from the Revenues, and the proceeds of the Bonds pledged therefor by the Resolution the principal of, interest and premium, if any, on all Bonds issued hereunder according to the terms hereof.

SECTION 703. Extension of Payment of Bonds and Coupons. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such coupons or claims for interest shall be extended, such Bonds, coupons or claims for interest shall not be entitled in case of any default under the Resolution to the benefit of the Resolution or to any payment out of Revenues, or out of any funds including the investments, if any, thereof, pledged under the Resolution or the moneys (except moneys held in trust for the payment of particular Bonds, coupons or claims for interest pursuant to the Resolution) held by any Fiduciary, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of the maturity of any Bonds.

SECTION 704. Offices for Servicing Bonds. The Authority hereby irrevocably appoints the Trustee as its agent to maintain an office or agency for the registration, transfer or exchange of Bonds, and for the service of notices, presentations and demands upon the Authority. The Authority hereby appoints the Paying Agents as its respective agents to maintain offices or agencies for the payment or redemption of Bonds and coupons.

SECTION 705. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming of all and singular the rights, Revenues, and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

SECTION 706. Powers as to Bonds and Pledge. The Authority is duly authorized under the Act and all applicable laws to create and issue the Bonds and to adopt the Resolution and to pledge the Revenues and other moneys, securities and funds purported to be pledged by the Resolution in the manner and to the extent provided in the Resolution. Except as to the issuance of Bonds hereunder, the Revenues, and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate or other action on the part of the Authority and the City to that end has been duly and validly taken. The Bonds and the provisions of the Resolution are

and will be in the valid and legally enforceable obligations of the City in accordance with their terms and the terms of the Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues, and other moneys, securities and funds pledged under the Resolution and all the rights of the Bondholders under the Resolution against all claims and demands of all persons whomsoever.

SECTION 707. Powers as to the Airport System and Collection of Rates, Fees and Rentals. The Authority has, and will have so long as any Bonds are Outstanding, good right and lawful authority to acquire, construct, develop, operate, maintain, repair, improve, reconstruct, enlarge, and extend the Airport System and to fix rates, fees, rentals and other charges in connection therewith, all as provided in the Act.

SECTION 708. Indebtedness and Liens. The Authority shall not issue any bonds or other evidences of indebtedness other than the Bonds, payable out of or secured by a pledge of the Revenues or of the moneys, securities of funds held or set aside by the Authority or by the Fiduciaries under the Resolution and shall not create or cause to be created any lien or charge on the Revenues, or such moneys, securities or funds; provided, however, that nothing contained in the Resolution shall prevent the Authority from issuing (i) evidences of indebtedness payable out of moneys in the Construction Fund as part of the Cost of Construction of any Additional Project, and after the date the pledge of Revenues provided in the Resolution shall be discharged and satisfied as provided in Section 1201, or (ii) Subordinated Indebtedness as provided in Section 414.

SECTION 709. Sale, Lease or Encumbrance of Property.

1. Except as provided in subsection 2 or subsection 3 of this Section 709, no part of the Airport System shall be sold, or otherwise disposed of or encumbered.

2. The Authority may sell, for fair and reasonable value, at any time and from time to time, in an arm's-length transaction, any property constituting part of the Airport System which an Authorized Officer of the Authority certifies to be obsolete, uneconomical, negligible, worn out or surplus property, or property no longer useful or profitable in the operation of the Airport System.

3. The Authority may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Airport System if such lease, contract, license, easement or right does not impede or restrict the operation by the Authority of the Airport System.

4. Any proceeds from the sale or disposition of property not used to replace such property and any such payments with respect to a lease, contract, license, easement or right not otherwise required to be applied in accordance with the Resolution shall be applied in the same manner and to the same purposes as Revenues.

SECTION 710. Operation, Maintenance and Reconstruction.

1. The Authority shall at all times operate, or cause to be operated, the Airport System properly and in a sound, efficient and economical manner and shall maintain, preserve, and keep the same or cause the same to be maintained, preserved, and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all ordinary, necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport System may be properly and advantageously conducted, and, if any useful part of the Airport System is damaged or destroyed, the Authority shall, as expeditiously as may be possible, commence and diligently prosecute the ordinary replacement or reconstruction of such part so as to restore the same to use; provided, however, that nothing in the Resolution shall require the Authority to operate, maintain, preserve, repair, replace, renew or reconstruct any part of the Airport System from sources other than the Revenues or if there shall have been filed with the Trustee (a) a certificate executed by an Authorized Officer of the Authority stating that in the opinion of the Authority abandonment of operation of such part is economically justified and is not prejudicial to the interests of the Holders of the Bonds, and (b) a consent to the filings of such certificate given by the Trustee, which consent shall be withheld only upon reasonable grounds.

2. To the extent deemed necessary by the Authority for the efficient or economical operation of the Airport System and permitted by law, it shall maintain, preserve, and renew all the franchises, rights, powers and privileges acquired, owned or held by it.

3. The Authority shall establish and enforce reasonable rules and regulations governing the operation, use and services of the Airport System.

SECTION 711. Rates and Charges. The Authority will, at all times while any Bonds shall be Outstanding, establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be required in order that in each Fiscal Year the Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each Series of Bonds secured by such

Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the sum of the Aggregate Debt Service of the Outstanding Bonds for such Fiscal Year, and in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues under the Resolution.

SECTION 712. Insurance.

1. So long as any Bonds are Outstanding, the Authority shall at all times carry insurance with a responsible insurance company or companies authorized and qualified under the laws of any state of the United States of America to assume the risk thereof, covering such properties of the Airport System as are customarily insured, and against loss or damage from such causes as are customarily insured against, by public or private corporations engaged in a similar type of business, all in accordance with the annual written recommendations of the Airport Consultant.

2. Any proceeds of insurance for the Airport System shall, except as provided in subsection 3 of Section 403, to the extent necessary and desirable, be applied to the repair and replacement of any damaged or destroyed properties of the Airport System. If any of said proceeds are not used to repair or replace property, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

SECTION 713. Condemnation. The Authority covenants that in the event the Airport System or any part thereof is taken by the exercise of eminent domain, any proceeds received in connection with such exercise of eminent domain shall, to the extent necessary and desirable, be applied to the replacement of the Airport System or such part thereof. If any of said proceeds are not applied to such replacement, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

SECTION 714. Airport Consultant. The Authority shall employ an Airport Consultant from time to time whenever and for the purposes contemplated by this Resolution. Such Airport Consultant shall be an airport consultant or airport consultant firm or corporation having a wide and favorable reputation for skill and experience with respect to the operation and maintenance of airports, in recommending rental and other charges for use of airport facilities and in projecting revenues to be derived from the operation of airports.

SECTION 715. Consulting Engineers. The Authority shall employ Consulting Engineers from time to time whenever and for the purposes contemplated or required by this Resolution. Such Consulting Engineers shall be engineer or engineering firms having a wide and favorable reputation for skill and experience in the construction and operation of airport facilities.

SECTION 716. Annual Budget.

1. Not less than five (5) days prior to the beginning of each Fiscal Year the Authority shall prepare and file with the Trustee an Annual Budget for the ensuing Fiscal Year. Such Annual Budget shall set forth in reasonable detail: the estimated Revenues and Operation and Maintenance Expenses for the Airport System for such Fiscal Year; the estimated amounts to be deposited during such Fiscal Year in each of the Funds and Accounts established under the Resolution and the estimated expenditures for the replacement of capital assets or any unusual or extraordinary maintenance or repairs, for the building and constructing of permanent improvements, alterations, buildings and other structures, including runways, taxi strips and aprons of the Airport System. The Authority may at any time adopt an amended Annual Budget for the remainder of the then current Fiscal Year. Copies of the Annual Budget and of any amended Annual Budget shall be promptly filed with the Trustee for inspection by Bondholders.

2. If for any reason the Authority shall not have adopted the Annual Budget for a Fiscal Year before the first day of such Fiscal Year, the Annual Budget for the preceding year shall be deemed to have been adopted and be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted and a copy thereof filed with the Trustee.

SECTION 717. Accounts and Reports.

1. The Authority shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Revenues, each Fund and Account established under the Resolution and which shall at all times be subject to the inspection of the Trustee, and the Holders of an aggregate of not less than 5% of the Bond Obligation then Outstanding or their representatives duly authorized in writing.

2. The Trustee and the Special Trustee shall advise the Authority promptly after the end of each month of the respective transactions during such month relating to each Fund and Account held by the Trustee and the Special Trustee under the Resolution and the Revenues. The Authority shall have the right upon reasonable notice and during reasonable business hours to examine the books and records of the Trustee and the Special Trustee with respect to the Funds and Accounts held by the Trustee or the Special Trustee under the Resolution and with respect to the Revenues.

3. The Authority shall annually, within 120 days after the close of each Fiscal Year, cause an audit to be made of its books and accounts relating to said Airport System for such Fiscal Year by an independent and recognized certified

public accountant not in the regular employ of the Authority. Promptly thereafter reports of each such audit shall be filed with the Trustee. Each such audit Report shall set forth with respect to such Fiscal Year:

(a) A summary with respect to each Fund and Account established under the Resolution, of the receipts therein and disbursements therefrom;

(b) the details of all Bonds issued, paid, purchased or redeemed;

(c) the amounts on deposit at the end of such Fiscal Year to the credit of each Fund and Account established under the Resolution, showing the respective amounts on deposit to the credit thereof in each Depository under the Resolution, as the case may be, and any security held therefor, and showing the details of any investment thereof;

(d) the amounts of the proceeds received from any sales of property consisting part of the Airport System; and

(e) a list of all insurance policies with respect to the Airport System or certificates thereof then held by the City, the Authority, or the Trustee.

4. The Authority shall file with the Trustee (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an Authorized Officer of the Authority and specifying such Event of Default or default and (b) within 120 days after the end of each Fiscal Year, a certificate signed by an appropriate Authorized Officer of the Authority stating that, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Resolution and there does not exist at the date of such certificate any default by the Authority under the Resolution or any Event of Default or other event which, with the lapse of time specified in Section 801 would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

5. The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Resolution shall be available for the inspection of Bondholders at the office of the Trustee and shall be mailed to each Bondholder who shall file a written request therefor with the Authority. The Authority may charge each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

SECTION 718. ~~[Deleted].~~

SECTION 719. ~~[Deleted].~~

SECTION 720. ~~[Deleted.]~~

SECTION 721. Covenants With Respect to Airports and Aviation Facilities. Nothing herein contained shall prohibit the Authority from acquiring or constructing an airport or an aviation facility and financing the same from moneys other than the proceeds of Bonds or Revenues generated by the Airport System. The Authority hereby covenants that it will not acquire or construct any such airport or aviation facility as aforesaid unless a certificate is received from the Airport Consultant and filed with the Trustee to the effect that such airport or aviation facility will not adversely affect Revenues to be derived by the Authority or the rights, security and remedies of Bondholders under the Resolution.

SECTION 722. Special Purpose Facilities. The Authority shall be authorized to finance Special Purpose Facilities from the proceeds of obligations issued by the Authority without regard to any requirements of this Resolution with respect to the issuance of Additional Bonds, provided:

1. Such obligations are payable solely from rentals or other charges derived by the Authority under a lease, sale or other agreement entered into between the Authority and the person, firm or corporation which will be utilizing the Special Purpose Facilities to be financed.

2. There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the estimated rentals, payments or other charges to be derived by the Authority from the lease, sale or other agreement with respect to the Special Purpose Facilities to be financed will be at least sufficient to pay the principal of and interest on such obligations, all costs of operating and maintaining such Special Purpose Facilities and all sinking fund, reserve or other payments required by the resolution or indenture securing such obligations.

3. There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the construction and operation of the Special Purpose Facilities to be financed will not decrease the Revenues to be derived from the Airport System.

4. In addition to all rentals, payments or other charges with respect to the Special Purpose Facilities to be financed, a fair and

reasonable rental for the land upon which said Special Purpose Facilities are to be constructed shall be charged by the Authority, and said ground rent shall be deemed Revenues derived from the Airport System.

SECTION 723. Fulfillment of Conditions Precedent. Upon the date of issuance of any of the Bonds, all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Act or the Resolution to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed and such Bonds, together with all other indebtedness of the City, shall be within every applicable debt and other limit prescribed by said Constitution or statutes.

SECTION 724. Payment of Lawful Charges. The Authority shall pay from the Revenues all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Airport System, or upon any part thereof or upon any revenue therefrom, when the same shall become due, and shall duly observe and comply with all legal requirements of any municipal or governmental authority applicable to any part of the Additional Project, and shall not create or suffer to be created any lien or charge upon the Airport System or any part thereof or upon the Revenues therefrom, except the pledge and lien created by the Resolution for the payment of the principal and Redemption Price of and interest on the Bonds. The Authority shall pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within ninety (90) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects; provided, however, that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate administrative and legal proceedings.

SECTION 725. Compliance with Law. The Authority shall observe and perform all of the terms and conditions contained in the Act and shall comply with all valid acts, rules, regulations, orders and directions applicable to the Airport System or the Authority, of any legislative, executive administrative or judicial body having lawful jurisdiction thereover.

SECTION 726. Covenants With Respect to PFCs. The Authority hereby covenants and agrees to file such applications, submit such reports and take any and all such other actions that may be necessary or desirable to preserve its rights to impose and collect PFCs from which Available PFC Revenues are derived, to enforce with reasonable diligence its right to receive PFC Revenues from which Available PFC Revenues are derived and to use the proceeds of such Available PFC Revenues and amounts required to be deposited in the PFC Account in the manner

provided herein. Without limiting the generality of the foregoing, the Authority hereby covenants and agrees as follows:

(a) To apply PFC Revenues only to finance allowable costs of approved projects in accordance with the FAA Regulations and applicable FAA authorizations and approvals (including Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects);

(b) To comply with the applicable requirements of Section 9304(e) and 9307 of the Airport Noise and Capacity Act of 1990 (Pub. L. 101-508, Title IX, Subtitle D);

(c) To notify the air carriers and foreign air carriers required to collect PFCs with respect to the Airport System of the FAA's approval of the imposition of such PFCs in accordance with the requirements of the FAA Regulations and to take all actions reasonably necessary to insure the proper collection and remittance of the PFC Revenues from which Available PFC Revenues are derived by the air carriers; and

(d) To comply with all reporting, recordkeeping, and auditing requirements contained in the FAA Regulations.

ARTICLE VIII

REMEDIES OF BONDHOLDERS

SECTION 801. Events of Default. The following events shall be "Events of Default" under the Resolution:

(i) default shall be made in the due and punctual payment of the principal of or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, or in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor when and as such interest installment or Sinking Fund Installment shall become due and payable;

(ii) default shall be made by the Authority in the performance or observance of the covenants, agreements and conditions on its part as provided in Section 711; provided, however, that a failure to comply with the covenants in Section 711 shall not constitute an event of default unless the Authority shall fail in the

succeeding Fiscal Year to comply with the covenants in Section 711 or to restore any deficiencies which occurred in any Funds in the preceding Fiscal Year;

(iii) default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part contained in the Resolution or in the Bonds and such default shall continue for a period of sixty (60) days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than twenty-five percent (25%) of the Bond Obligation;

(iv) the Authority or the City shall file a petition seeking a composition of indebtedness under the Federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State of Florida;

(v) judgment for the payment of money shall be rendered against the Authority or the City as the result of the construction, improvement, ownership, control or operation of the Airport System, and any such judgment shall not be discharged within twenty-four (24) months after the entry thereof, or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof; and

(vi) an order or decree shall be entered, with the consent or acquiescence of the Authority or the City, appointing a receiver or receivers of the Airport or any part thereof, or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority or the City, shall not be vacated or discharged, stayed or appealed within ninety (90) days after the entry thereof.

SECTION 802. Accounting and Examination of Records After Default.

1. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records relating to the Airport shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys, including any engineer or firm of engineers appointed to act on behalf of the Trustee.

2. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and Funds pledged or held under the Resolution for such period as shall be stated in such demand.

SECTION 803. Application of Revenues and Other Moneys After Default.

1. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and Funds then held by the Authority or Special Trustee in any Fund or account under the Resolution, and (ii) all Revenues as promptly as practicable after receipt thereof.

2. During the continuance of an Event of Default, the Trustee shall apply such moneys, securities, Funds and Revenues and the income therefrom as follows and in the following order:

(a) to the payment of Operation and Maintenance Expenses including, without limitation, the payment of the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel;

(b) to the payment of the interest and principal or Redemption Price then due on the Bonds, subject to the provisions of Section 703, as follows:

(i) unless the principal of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest on Bonds other than Capital Appreciation Bonds then due in order of the maturity of such installments, together with accrued and unpaid interest on the Bonds other than the Capital Appreciation Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(ii) if the principal (or, with respect to Capital Appreciation Bonds, the Maturity Amount) of all of the Bonds shall have become due and payable, to the payment of the principal and interest (or, with respect to Capital Appreciation Bonds, Maturity Amount) then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, (or, with respect to Capital Appreciation Bonds, Maturity Amount) to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and coupons.

3. If and whenever all overdue installments of interest on all Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Resolution, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Resolution or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities, and Funds then remaining unexpended in the hands of the Trustee (except moneys, securities, and Funds deposited or pledged, or required by the terms of the Resolution to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under the Resolution. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former

positions and rights shall extend to or affect any subsequent default under the Resolution or impair any right consequent thereon.

SECTION 804. Proceedings Brought By Trustee.

1. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than twenty-five (25%) of the Bond Obligation shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under this Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

2. All rights of action under the Resolution may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

3. The Holders of not less than a majority of the Bond Obligation may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

4. Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under the Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

5. Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of a majority of the Bond Obligation, and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Resolution by any acts which may be unlawful or in violation of the Resolution, and such suits and proceedings as the Trustee may be advised shall

be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

SECTION 805. Restriction on Bondholder's Action.

1. No Holder of any Bond or coupon shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least twenty-five percent (25%) of the Bond Obligation shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Resolution or by the Act or by the laws of Florida or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of thirty (30) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds or coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Resolution, or to enforce any right under the Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Resolution shall be instituted, had and maintained in the manner provided in the Resolution and for the equal benefit of all Holders of the Outstanding Bonds and coupons.

2. Nothing in this Resolution or in the Bonds or in the coupons contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay, from the sources herein specified, at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

SECTION 806. Remedies Not Exclusive. No remedy by the terms of the Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or existing at law or in equity or by statute on or after the date of adoption of the Resolution.

SECTION 807. Effect of Waiver and Other Circumstances.

1. No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

2. The Holders of not less than sixty-six and two-thirds percent (66-2/3%) of the Bond Obligation, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Bonds waive any past default under the Resolution and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 808. Notice of Default. The Trustee shall promptly upon becoming aware of any Event of Default mail to registered Holders of Bonds, the original purchasers of the Bonds and the financial consultant to the Authority and to all Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any Event of Default. If any Fiscal Year Revenues shall be insufficient to comply with the provision of Section 711, the Trustee, on or before the 30th day after receipt of the annual audit, shall mail to such registered Holders and such Bondholder written notice of such failure.

ARTICLE IX

CONCERNING THE FIDUCIARIES

SECTION 901. Trustee and Special Trustee: Appointment and Acceptance of Duties.

1. The Authority shall appoint the Trustee in the Supplemental Resolution authorizing the issuance of the initial Series of Bonds hereunder. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing the certificate of authentication endorsed upon the Bonds, and by executing such certificate upon any Bond the Trustee shall be deemed to have accepted such duties and obligations not only with respect to the Bond so authenticated, but with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in the Resolution.

2. The Authority shall appoint the Special Trustee in the Supplemental Resolution authorizing the issuance of the initial Series of Bonds hereunder. The Special Trustee shall signify its acceptance of duties and

obligations imposed upon it by the Resolution by executing and delivering to the Authority and the Trustee a written acceptance thereof.

SECTION 902. Paying Agents: Appointment and Acceptance of Duties.

1. The Authority shall appoint one or more Paying Agents for the Bonds of each Series, and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 913 for a successor Paying Agent. The Trustee or the Special Trustee may be appointed a Paying Agent.

2. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof.

3. Unless otherwise provided, the principal offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest on and principal or Redemption Price of the Bonds.

SECTION 903. Responsibilities of Fiduciaries.

1. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution or of any Bonds or coupons issued thereunder or as to the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of subsection 2 of this Section 903, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

2. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Resolution. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any

provision of the Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 903.

SECTION 904. Evidence on which Fiduciaries may Act.

1. Each Fiduciary, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of the Resolution, shall examine such instrument to determine whether it conforms to the requirements of the Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may seem reasonable.

3. Except as otherwise expressly provided in this Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to any Fiduciary shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer of the Authority.

SECTION 905. Compensation. The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution and each Fiduciary shall have a lien thereon on any and all Funds at any time held by it under this Resolution. Subject to the provisions of Section 903, the Authority further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.

SECTION 906. Certain Permitted Acts. Any Fiduciary may become the owner of any Bonds and coupons, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as Depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

SECTION 907. Resignation of Trustee or Special Trustee. The Trustee or Special Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than ninety (90) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for three successive calendar weeks in an Authorized Newspaper, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 909, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that in no event shall the resignation of the Trustee or Special Trustee become effective until a successor Trustee or Special Trustee shall have been appointed pursuant to the provisions of this Article.

SECTION 908. Removal of Trustee or Special Trustee. The Trustee or Special Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee and Special Trustee, and signed by the Holders of a majority of the Bond Obligation then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority, or, so long as the Authority is not then in default hereunder, by a certificate of an Authorized Officer of the Authority filed with the Trustee and the Special Trustee.

SECTION 909. Appointment of Successor Trustee or Special Trustee.

1. In case at any time the Trustee or Special Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or Special Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or Special Trustee, or of its property or affairs, a successor may be appointed by the Authority, so long as the Authority is not then in default hereunder, or, if the Authority is then in default hereunder or the Authority has not appointed a successor Trustee or Special Trustee as the case may be within forty-five (45) days of the occurrence of such event, by the Holders of a majority of the Bond Obligation then outstanding, excluding any Bonds held by or for the account of the Authority. Such appointment by the Holders shall be by an

instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee or Special Trustee, notification thereof being given to the Authority and the predecessor Trustee and Special Trustee; provided, nevertheless, that unless a successor Trustee or Special Trustee shall have been appointed by the Bondholders as aforesaid, the Authority by a duly executed written instrument signed by an Authorized Officer of the Authority shall forthwith appoint a Trustee or Special Trustee to fill such vacancy until a Successor Trustee or Special Trustee shall be appointed by the Bondholders as authorized in this Section 909. The Authority shall mail notice of any such appointment made by it to each registered owner of Bonds within 20 days of such appointment and, unless all of the Bonds outstanding are in registered form, the Issuer shall publish notice of any such appointment made by it in an Authorized Newspaper, such publication to be made within 20 days after such appointment. If the Authority shall be in default hereunder at the time of the appointment of a Successor Trustee or Special Trustee, any Successor Trustee or Special Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the Bondholders.

If no successor Trustee shall have been so appointed and accepted appointment within ninety (90) days of the resignation, removal, incapability or the occurrence of a vacancy in the office of the Trustee or the Special Trustee in the manner herein provided, the Trustee or the Special Trustee, as applicable, or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor Trustee or Special Trustee, as applicable, until a successor shall have been appointed as above provided.

SECTION 910. Transfer or Rights and Property to Successor Trustee or Special Trustee. Any successor Trustee or Special Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor Trustee or Special Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee or Special Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee or Special Trustee, with like effect as if originally named as Trustee or Special Trustee; but the Trustee or Special Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee or Special Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainty vesting and confirming in such successor Trustee or Special Trustee all the right, title and interest of the predecessor Trustee or Special Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee or Special Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance

or instrument in writing from the Authority be required by such successor Trustee or Special Trustee for more fully and certainly vesting in and confirming to such successor Trustee or Special Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority. Any such successor Trustee or Special Trustee shall promptly notify all Paying Agents of its appointment as Trustee or Special Trustee.

SECTION 911. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, shall have a net worth after such merger, conversion, consolidation, sale or transfer at least equal to the net worth of the Fiduciary immediately prior thereto, and shall be authorized by law to perform all the duties imposed upon it by the Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

SECTION 912. Adoption of Authentication. In case any of the Bonds contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall have not been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in the Resolution provided that the certificate of the Trustee shall have such full force.

SECTION 913. Resignation or Removal of Paying Agent and Appointment of Successor.

1. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least ninety (90) days' written notice to the Authority, the Trustee, and the other Paying Agents. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by the Authority. Any successor Paying Agent shall be appointed by the Authority with the approval of the Trustee and shall be a bank or trust company or a national banking association, and having capital stock and surplus aggregating at least \$20,000,000 and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

ARTICLE X

SUPPLEMENTAL RESOLUTIONS

SECTION 1001. Supplemental Resolutions Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority together with a certified copy of a resolution of the City Council approving such Supplemental Resolution, shall be fully effective in accordance with its terms:

(1) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

(2) To add to the covenants and agreements of the Authority in the Resolution, other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(3) To add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(4) To authorize Bonds of a Series or to determine the terms and details thereof and, in connection therewith, specify and determine the matters and things referred to in Sections 202, 203, 204 or 205, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds;

(5) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the

Resolution, of the Revenues, or of any other moneys, securities or funds; and

(6) To modify any of the provisions of the Resolution in any respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof.

SECTION 1002. Supplemental Resolutions Effective Upon Consent of Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority, and (ii) the filing with the Trustee and the Authority of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in the Resolution; or

(2) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect; or

(3) To make any other changes or modifications to or to otherwise amend the Resolution in any manner that does not materially adversely affect the interests or rights of any of the Holders of Bonds issued pursuant to the terms hereof and then Outstanding.

SECTION 1003. Supplemental Resolutions Effective With Consent of Bondholders. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority and upon compliance with the provisions of said Article XI, shall become fully effective in accordance with its terms as provided in said Article XI.

SECTION 1004. General Provisions.

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing in this Article X or Article XI contained shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 705 or the right or obligation of the Authority to execute and deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Any Supplemental Resolution referred to and permitted or authorized by Sections 1001 and 1002 may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights).

3. The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 1001, 1002 or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel (which may be a Counsel's Opinion) that such Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

4. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

ARTICLE XI

AMENDMENTS

SECTION 1101. Mailing and Publication.

1. Any provision in this Article for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority, (ii) to each Holder of any Bond payable to bearer who shall have filed with the Trustee within two (2) years

preceding such mailing a request for notices, (iii) to the Trustee and (iv) to the original purchasers of the Bonds.

2. Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in an Authorized Newspaper.

SECTION 1102. Powers of Amendment. Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds and coupons thereunder, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section 1103(i) of the Holders of at least a majority of the Bond Obligation at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority of the Bond Obligation of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of at least a majority of the Bond Obligation of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, or a reduction in the principal amount or the Redemption Price, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds.

SECTION 1103. Consent of Bondholders. The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 1102, to take effect when and as provided in

this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Authority to Bondholders and shall be published in an Authorized Newspaper at least once a week for three successive weeks (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of the Bond Obligation specified in Section 1102 and (b) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been published as hereinafter in this Section 1103 provided. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1202. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 1202. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Authority to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of the Bond Obligation shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that the Holders of such required percentages of the Bond Obligation have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of the Bond Obligation and will be effective as provided in this Section 1103, may be given to Bondholders by the Authority by mailing such notice to Bondholders (but failure

to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 1103 provided) and by publishing the same in an Authorized Newspaper at least once not more than ninety (90) days after the last of the Holders of the required percentages of the Bond Obligation shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed. The Authority shall file with the Trustee proof of the publication of such notice and, if the same shall have been mailed to Bondholders, of the mailing thereof. A record, consisting of the papers required or permitted by this Section 1103 to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds and coupons at the expiration of forty (40) days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the Authority during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

SECTION 1104. Modifications by Unanimous Consent. The terms and provisions of the Resolution and the rights and obligations of the Authority and of the Holders of the Bonds and coupons thereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Resolution and the consent of the Holders of all the Bonds then Outstanding, such consent to be given as provided in Section 1103 except that no notice to Bondholders either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.

SECTION 1105. Exclusion of Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI, and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a certificate of an Authorized Officer of the Authority, upon which the Trustee may rely, describing all Bonds so to be excluded.

SECTION 1106. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article X or this Article

XI provided may, and, if the Trustee so determines, shall bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for such purpose at the principal office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds with all unpaid coupons, if any, appertaining thereto.

ARTICLE XII

MISCELLANEOUS

SECTION 1201. Defeasance.

1. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds and coupons the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of any Revenues, and other moneys and securities pledged under this Resolution and all covenants, agreements and other obligations of the Authority to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Authority all moneys or securities held by them pursuant to the Resolution which are not required for the payment of principal or Redemption Price, if applicable, on Bonds or payment of coupons not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Outstanding Bonds of a particular Series and the coupons appertaining thereto the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

2. Bonds or coupons or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section. All Outstanding Bonds of any Series, or all or any portion of one or more maturities within a Series, and all coupons appertaining to such Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in Article V notice of redemption of such Bonds on said date, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Investment Securities the principal of and the interest on which when due will provide money which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to provide, as soon as practicable, by mail to the registered owners of all Registered Bonds so defeased. Neither Investment Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Investment Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in Investment Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien of pledge securing said Bonds or otherwise existing under the Resolution. For purposes of this Section, Investment Securities shall mean and include only such securities as are described in clauses (i) and (vi) of the definition of "Investment Securities" in Section 101.

3. Anything in the Resolution to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge for any of the Bonds or coupons which remain unclaimed for six (6) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, unless otherwise provided by law, at the written request of the Authority, be repaid by the Fiduciary to the Authority, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the Authority for the payment of such Bonds and coupons; provided, however, that before being required to make any such payment to the Authority, the Fiduciary shall, at the expense of the Authority, cause to be published at least three times at intervals of not less than seven (7) days between publications, in Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than forty-five (45) days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the Authority.

SECTION 1202. Evidence of Signatures of Bondholders and Ownership of Bonds.

1. Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds or coupons appertaining thereto, shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Bondholder or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate or any notary public or other officer authorized to take acknowledgments of deed, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee,

certificate or affidavit shall also constitute sufficient proof of his authority.

(2) The amount of Bonds transferable by delivery held by any person executing any instrument as a Bondholder, the date of his holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated, showing at the date therein mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee. In addition to the foregoing provisions, the Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

2. The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

3. Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Fiduciary in accordance therewith.

SECTION 1203. Prior Obligations Not Affected. Nothing contained in the Resolution shall be construed as impairing or destroying the obligation of the Authority in connection with any franchise, contract, agreement, lease or other arrangement entered into by the Authority in connection with the operation of the properties of the City by the Authority prior to the adoption of this Resolution, or to release any person, firm or corporation, public or private, from any debt or other obligation to the Authority pursuant to any such franchise, contract, agreement, lease or other arrangement.

SECTION 1204. Moneys Held for Particular Bonds and Coupons. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds or coupons, shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds and coupons entitled thereto.

SECTION 1205. Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any other Fiduciary, and any Bondholder and their representatives, any of whom may make copies thereof.

SECTION 1206. Parties Interested Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the Fiduciaries and the Holders of the Bonds and the coupons thereunto appertaining, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof, and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciaries, and the Holders of the Bonds and the coupons thereunto appertaining.

SECTION 1207. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Resolution against any member or officer of the Authority or the City or any person executing the Bonds. Further, the Bonds do not constitute a debt of the City or a pledge of the faith and credit of the City. The Bonds and the interest thereon are payable solely from the funds pledged therefor under the Resolution. The issuance of Bonds under the Resolution shall not directly or indirectly or contingently obligate the City to levy or pledge any form of taxation whatever therefor or to make any appropriation for their payment.

SECTION 1208. Publication of Notice; Suspension of Publication.

1. Any publication to be made under the provisions of the Resolution in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspapers for any or all of the successive publications but may be made in a different Authorized Newspapers.

2. If, because of the temporary or permanent suspension of the publication or general circulation of Authorized Newspapers or for any other reason, it is impossible or impractical to publish any notice pursuant to the Resolution in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

SECTION 1209. [Deleted].

SECTION 1210. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in the Resolution on the part of the

Authority or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of the Resolution.

ARTICLE XIII

BOND FORMS AND EFFECTIVE DATE OF RESOLUTION

SECTION 1301. Form of Bonds and Coupons and Trustee's Certificate of Authentication. Subject to the provisions of the Resolution, the Bonds of each Series, the coupons (if any) to be attached hereto, the validation certificate and the Trustee's certificate of authentication shall be, respectively, in substantially the following forms, with such insertions or omissions, endorsements and variations as may be required or permitted by the Resolution and the Act:

[FORM OF COUPON BOND]

CITY OF ORLANDO, FLORIDA

AIRPORT FACILITIES REVENUE BOND, ____ SERIES

\$5,000

No. ____

The City of Orlando, Florida (herein called the "City"), a municipal corporation in the County of Orange, State of Florida, acknowledges itself indebted to, and for value received hereby promises to pay, solely from the revenues and special funds pledged therefor as hereinafter provided, to the bearer on the first day of _____, upon presentation and surrender of this bond, the principal sum of _____ Dollars (\$ _____) and, to pay solely from such revenues and special funds pledged therefor interest on such principal sum from the date hereof, at the rate of _____ per centum (____%) per annum, payable semi-annually on the first days of _____ and _____ in each year until the City's obligation with respect to the payment of such principal sum shall be discharged as provided in the Resolution hereinafter mentioned, but only in the case of interest due on or before maturity of this bond, according to the tenor of the respective coupons therefor annexed hereto and upon presentation and surrender of said coupons as they severally become due. This bond, as to principal, interest and redemption price, will be payable at the principal offices of _____ or _____ (such banks and any successors thereto being referred to herein as the "Paying Agents"), at the option of the bearer, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the City designated "Airport Facilities Revenue Bonds, ____ Series" (the "____ Series Bonds"), in the aggregate principal amount of \$ _____ issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City, under authority of and pursuant to Chapter 98-492, Special Laws of Florida 1998, as amended (herein called the "Act"), and under and pursuant to a resolution of the Authority adopted June 13, 1978, entitled "Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida" and a supplemental resolution of the Authority authorizing the ____ Series Bonds (said Airport Facilities Revenue Bond Resolution as supplemented being herein called the "Resolution"). As provided in the Resolution, this bond as to principal or redemption price thereof and interest thereon are payable solely from and secured by a pledge of the revenues of the Airport System (as defined in the Resolution) owned by the City and operated by the Authority, and other funds held or set aside under the Resolution. Copies of the Resolution are on file at the offices of the City and the Authority and at the principal office of _____, as Trustee

under the Resolution, or its successor as Trustee (herein called the "Trustee"), and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this bond, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the bearers or registered owners of this bond with respect thereto and the terms and conditions upon which bonds are issued and may be issued thereunder.

As provided in the Resolution, bonds of the City may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and otherwise may vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the City with the written consent of the holders of at least a majority in principal amount of the bonds then outstanding under the Resolution, and, in case less than all of the series of bonds would be affected thereby, with such consent of at least a majority in principal amount of the bonds of each series so affected then outstanding under the Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of at least a majority in principal amount of the bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like series and maturity remain outstanding under the Resolution, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any bond outstanding or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such bonds or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of any Paying Agent without its written assent thereto.

The bonds of the issue of which this bond is one are issuable in the form of coupon bonds in the denomination of \$5,000 and in the form of registered bonds without coupons in the denominations of \$5,000 or any integral multiple of

\$5,000. The holder of any coupon bond or bonds may surrender the same, with all unmatured coupons attached, at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of registered bonds, without coupons, of any of the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Resolution. In like manner, subject to such conditions and upon the payment of such charges, the owner of any registered bond or bonds without coupons may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney), in exchange for an equal aggregate principal amount of coupon bonds with appropriate coupons attached, or of registered bonds without coupons of any other authorized denominations.

The bonds of the issue of which this bond is one are subject to redemption prior to maturity, upon published notice as hereinafter provided, (i) in part by operation of the Debt Service Account in the Bond Fund established under the Resolution to satisfy Sinking Fund Installments, on _____ 1, ____ and on each _____ 1 thereafter, at the principal amount thereof together with accrued interest to the redemption date, and (ii) otherwise, as a whole or in part, at any time, at the election of the City on or after _____ 1, ____, at the respective redemption prices (expressed as percentages of the principal amount of the bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

Period During which Redeemed <u>(both dates inclusive)</u>	Redemption <u>Price</u>

If less than all of the bonds of like maturity are to be redeemed, the particular bonds or portions of bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

The bonds of the issue of which this bond is one are payable upon redemption at the above mentioned offices of the Paying Agents. Notice of redemption shall be published once a week for at least three successive weeks in a newspaper or financial journal printed in the English language and published and of general circulation in the City of Orlando and in a similar newspaper or financial

journal in The City of New York, New York, respectively, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been published as aforesaid, the bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such bonds shall cease to accrue and become payable to the holders or registered owners entitled to payment thereof on such redemption, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void.

The City has not pledged its faith and credit to the payment of the principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond shall not be payable from, or be a charge upon, any funds other than those pledged under the Resolution to the payment hereof. No holder of this bond shall ever have the right to compel the exercise of the taxing power of the City to pay the principal of, premium, if any, or the interest hereon, nor to enforce payment against any other property of the City, nor shall this bond, or any interest coupon appertaining hereto, constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the City.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Florida or the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes.

Neither this bond nor any coupons for interest thereon shall be entitled to any security, right or benefit under the Resolution or be valid or obligatory for any purpose, unless the certificate of authentication hereon has been duly executed by the Trustee.

IN WITNESS WHEREOF, THE CITY OF ORLANDO, FLORIDA has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and countersigned by the Chairman of the Greater Orlando Aviation Authority, and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, and coupons for interest, bearing and authenticated by the facsimile signatures of its Mayor and the Chairman of the Greater Orlando Aviation Authority, to be hereunto attached, all as of the ____ day of _____.

CITY OF ORLANDO, FLORIDA

By: _____
Mayor

ATTEST: _____

City Clerk

GREATER ORLANDO AVIATION
AUTHORITY

By: _____
Chairman

[FORM OF COUPONS]

No. _____

On the _____ day of _____ (unless the bond hereinafter mentioned shall have been duly called for previous redemption and payment of the redemption price made or duly provided for) City of Orlando, Florida will pay to the bearer, but solely from the revenues and other funds pledged therefor and referred to in the bond hereinafter mentioned, at the principal offices of _____ or _____, at the option of the bearer, upon surrender of this coupon, _____ dollars (\$_____) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, being the interest then due on its Airport Facilities Revenue Bond, _____ Series, No. _____.

Mayor of the City of Orlando,
Florida

Chairman of the Greater Orlando
Aviation Authority

[FORM OF REGISTERED BOND]

CITY OF ORLANDO, FLORIDA

AIRPORT FACILITIES REVENUE BOND, ____ SERIES

\$ _____ No. _____

The City of Orlando, Florida (herein called the "City"), a municipal corporation in the County of Orange, State of Florida, acknowledges itself indebted to, and for value received hereby promises to pay, solely from the revenues and special funds pledged therefor as hereinafter provided to _____, or registered assigns, on the first day of _____, the principal sum of _____ Dollars, and to pay solely from such revenues and special funds pledged therefor to the registered owner hereof interest on such principal sum from the date hereof at the rate of _____ per centum (____%) per annum, payable semi-annually on the first days of _____ and _____ in each year until the City's obligation with respect to the payment of such principal sum shall be discharged as provided in the Resolution hereinafter mentioned. This bond, as to principal, interest and redemption price, will be payable at the principal offices of _____, or _____ (such banks and any successors thereto being referred to herein as the "Paying Agents"), at the option of the registered owner hereof, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the City designated "Airport Facilities Revenue Bonds, ____ Series" (the "____ Series Bonds"), in the aggregate principal amount of \$ _____ issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City, under authority of and pursuant to Chapter 98-492, Special Laws of Florida, 1998, as amended (herein called the "Act"), and under and pursuant to a resolution of the Authority adopted June 13, 1978, entitled "Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida" and a supplemental resolution of the Authority authorizing the _____ Series Bonds (said Airport Facilities Revenue Bond Resolution as supplemented being herein called the "Resolution"). As provided in the Resolution, this bond as to principal or redemption price thereof and interest thereon are payable solely from and secured by a pledge of the revenues of the Airport System (as defined in the Resolution) owned by the City and operated by the Authority, and other funds held or set aside under the Resolution. Copies of the Resolution are on file at the offices of the City and the Authority and at the principal office of _____, as Trustee under the Resolution, or its successor as

Trustee (herein called the "Trustee"), and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this bond, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the bearers or registered owners of this bond with respect thereto and the terms and conditions upon which bonds are issued and may be issued thereunder.

As provided in the Resolution, bonds of the City may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and otherwise may vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the City, with the written consent of the holders of at least a majority in principal amount of the bonds then outstanding under the Resolution, and, in case less than all of the series of bonds would be affected thereby, with such consent of at least a majority in principal amount of the bonds of each series so affected then outstanding under the Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of at least a majority in principal amount of the bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like series and maturity remain outstanding under the Resolution, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such bond, or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of any Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of the City kept for that purpose at the above mentioned office of the Trustee by the registered owner hereof in person, or by his duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to

the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new registered bond or bonds, without coupons, and in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The City, the Trustee and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The bonds of the issue of which this bond is one are issuable in the form of coupon bonds in the denomination of \$5,000 and in the form of registered bonds without coupons in the denominations of \$5,000 or any integral multiple of \$5,000. The holder of any coupon bond or bonds may surrender the same, with all unmatured coupons attached, at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of registered bonds, without coupons, of any of the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Resolution. In like manner, subject to such conditions and upon the payment of such charges, the owner of any registered bond or bonds without coupons may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner of his duly authorized attorney), in exchange for an equal aggregate principal amount of coupon bonds with appropriate coupons attached, or of registered bonds without coupons of any other authorized denominations.

The bonds of the issue of which this bond is one are subject to redemption prior to maturity, upon published notice as hereinafter provided, (i) in part by operation of the Debt Service Account in the Bond Fund established under the Resolution to satisfy Sinking Fund Installments, on _____ 1, and on each _____ 1 thereafter, at the principal amount thereof together with accrued interest to the redemption date, and (ii) otherwise, as a whole or in part, at any time, at the election of the City, on or after _____, at the respective redemption prices (expressed as percentages of the principal amount of the bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

Period During which Redeemed (both dates inclusive)	Redemption Price

If less than all of the bonds of like maturity are to be redeemed, the particular bonds or portions of bonds to be redeemed shall be selected at random by the

Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

The bonds of the issue of which this bond is one are payable upon redemption at the above mentioned offices of the Paying Agents. Notice of redemption shall be published once a week for at least three successive weeks in a newspaper or financial journal printed in the English language and published and of general circulation in the City of Orlando and in a similar newspaper or financial journal in The City of New York, New York, respectively, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been published as aforesaid, the bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such bonds shall cease to accrue and become payable to the holders or registered owners entitled to payment thereof on such redemption, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void.

The City has not pledged its faith and credit to the payment of the principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond shall not be payable from, or be a charge upon, any funds other than those pledged under the Resolution to the payment hereof. No holder of this bond shall ever have the right to compel the exercise of the taxing power of the City to pay the principal of, premium, if any, or the interest hereon, nor to enforce payment against any other property of the City, nor shall this bond, or any interest coupon appertaining hereto, constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the City.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Florida or the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this bond is one, together with all other indebtedness of City, is within every debt and other limit prescribed by said Constitution or statutes.

This bond shall not be entitled to any security, right or benefit under the Resolution or be valid or obligatory for any purpose, unless the certificate of authentication hereon has been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Orlando, Florida has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and countersigned by the Chairman of the Greater Orlando Aviation Authority and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the ____ day of _____, ____.

CITY OF ORLANDO, FLORIDA

By: _____
Mayor

ATTEST:

**GREATER ORLANDO AVIATION
AUTHORITY**

City Clerk

By: _____
Chairman

[FORM OF VALIDATION CERTIFICATE ON ALL BONDS]

This bond is one of a series of bonds which were validated by judgment of the Circuit Court of the Ninth Judicial Circuit of the State of Florida, in and for Orange County, rendered on _____, ____.

Mayor of the City of Orlando,
Florida

Chairman of the Greater Orlando
Aviation Authority

[FORM OF CERTIFICATE OF AUTHENTICATION ON ALL BONDS]

TRUSTEE'S CERTIFICATE

This bond is one of the bonds executed and delivered pursuant to the within mentioned Resolution.

Trustee

By: _____
Authorized Officer

SECTION 1302. Effective Date of Resolution. This Resolution shall become effective upon approval thereof by the City Council by proper resolution.

Airport Facilities Revenue Bond Resolution approved and adopted by Greater Orlando Aviation Authority Board on June 24, 2015.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: Frank Kuyssabaker
Chairman

APPENDIX C

PROPOSED AMENDED AND RESTATED BOND RESOLUTION

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~~OFFICIAL
CODIFIED
VERSION~~

GREATER ORLANDO AVIATION AUTHORITY

AMENDED AND RESTATED

AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

~~Adopted~~ Approved September 16, 2015

~~*Does not include Amendments applicable to only one series of Bonds or amendments not yet effective. THIS OFFICIAL CODIFIED VERSION OF THE AIRPORT FACILITIES BOND RESOLUTION HAS BEEN FORMALLY ADOPTED BY THE GREATER ORLANDO AVIATION AUTHORITY AND ACCURATELY REFLECTS THE INITIAL BOND RESOLUTION, AS AMENDED THROUGH THE DATE INDICATED ABOVE.~~

~~GREATER ORLANDO AVIATION AUTHORITY~~

GREATER ORLANDO AVIATION AUTHORITY

AMENDED AND RESTATED

AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

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AMENDED AND RESTATED

AIRPORT FACILITIES REVENUE BOND RESOLUTION

AUTHORIZING

AIRPORT FACILITIES REVENUE BONDS

OF

CITY OF ORLANDO, FLORIDA

WHEREAS, the Greater Orlando Aviation Authority (the "Authority") adopted the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida on June 13, 1978, as codified by the Authority on September 17, 2008, and as amended, restated and supplemented (collectively, the "Airport Facilities Revenue Bond Resolution"); and

WHEREAS, on June 24, 2015, the Authority approved certain amendments to the Airport Facilities Revenue Bond Resolution which were made pursuant to Section 1002 of the Airport Facilities Revenue Bond Resolution with the consent of the Trustee and certain other entities; and

WHEREAS, the Authority approves further amendments (the "Consent Amendments") to the Airport Facilities Revenue Bond Resolution in this Amended and Restated Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida (the "Amended and Restated Bond Resolution"); and

WHEREAS, this Amended and Restated Bond Resolution shall restate in its entirety the Airport Facilities Revenue Bond Resolution; and

WHEREAS, this Amended and Restated Bond Resolution and the Consent Amendments provided herein shall take effect as provided in Section 1302 hereof and upon the effective date hereof shall supersede all other resolutions of the Authority relating to Bonds;

BE IT RESOLVED BY THE GREATER ORLANDO AVIATION
AUTHORITY, AS FOLLOWS:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 101. Definitions. In this Resolution unless a different meaning clearly appears from the context:

“Accountant’s Certificate” means a certificate signed by an independent certified public accountant or a firm of certified public accountants selected by the Authority, who may be the accountant or firm of accountants who regularly audit the books of the Authority.

“Accreted Value” means the accreted value of the Capital Appreciation Bonds, on the date of calculation, including the original principal amount or discounted principal value (original offering price) thereof, plus interest or principal accreted thereon to the date of calculation, as determined by reference to the accreted value tables contained or referred to in each such Bond.

“Accrued Aggregate Debt Service” means, as of any date of calculation, an amount equal to the sum of (i) interest on the Bonds of all Series, other than Capital Appreciation Bonds, accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for all Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month. With respect to Variable Rate Bonds, the interest rate for the remainder of the then current calendar month shall, for purposes of this definition, be assumed to be the interest rate in effect as of the date of calculation.

“Act” means the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida 1957, as amended.

“Additional Bonds” means Bonds authenticated and delivered pursuant to Section 204, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or ~~1106~~1006.

“Additional Project” means the acquisition and construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements and betterments to and reconstructions of the Airport System to be

financed, in whole or in part, from the proceeds of any Additional Bonds issued pursuant to the provisions of Section 204.

“Aggregate Debt Service” means, as of any particular date of computation and with respect to any period, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds.

“Airport Consultant” means the airport consultant or airport consulting firm or corporation at the time retained by the Authority pursuant to Section 714 to perform the acts and carry out the duties provided for such Airport Consultant in this Resolution.

“Airport Improvement and Development Plan” means the plan prepared annually and modified as necessary by the Authority, detailing all of the Authority’s proposed capital additions and improvements to the Airport System for a five-year period.

“Airport System” means (i) the Orlando International Airport owned by the City and operated by the Authority, including all improvements and facilities now in existence, as said Airport may be hereafter added to, extended, improved or constructed and equipped, and (ii) any other aviation facility or airport acquired or constructed by the Authority; provided that, the Airport System shall not include Orlando Executive Airport (~~formerly known as Herndon Airport~~) or any additions, extensions or improvements thereto, unless (a) the Authority shall by Supplemental Resolution, expressly add Orlando Executive Airport to the Airport System, and (b) shall deliver to the Trustee (1) confirmation from each Rating Agency then maintaining a rating at the request of the Authority on any Bonds outstanding hereunder that adding Orlando Executive Airport to the Airport System will not result in a reduction or withdrawal of the credit ratings then assigned to the Bonds, and (2) the written consent of any bond insurers or other credit ~~enhancer~~provider having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder. ~~“Airport System” shall also include Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations. However, “Airport System” shall not include any airport or aviation facility thereafter acquired or constructed by the Authority with funds other than the proceeds of Bonds issued under the Resolution or revenues generated by the Airport System. Special Purpose Facilities shall not be part of the Airport System except as otherwise provided by Supplemental Resolution so long as Special Purpose Facility Debt is outstanding with respect to such Special Purpose Facilities.~~

“Annual Budget” means the annual budget of the Authority, as amended or supplemented, adopted or in effect for a particular Fiscal Year as provided in Section 716.

“Authority” means the Greater Orlando Aviation Authority created pursuant to the Act as an agency of the City, and any board or commission succeeding to the principal functions thereof or upon whom the powers conferred by the Act to said Authority shall be given by law. As used herein, the term Authority means the Greater Orlando Aviation Authority, acting on behalf of itself and the City.

“Authorized Newspapers” means both a newspaper or financial journal customarily published at least once a week, printed in the English language and of general circulation in the City, and a newspaper or financial journal customarily published at least once a day for at least five days (other than legal holidays) in each week, printed in the English language and of general circulation in The City of New York, New York.

“Authorized Officer of the Authority” means the Chairman, the Vice-Chairman, the Treasurer or the Secretary of the Board, or any other officer or employee of the Authority authorized by resolution of the Authority to perform specific acts or duties related to the subject matter of the authorization.

“Authorized Officer of the City” means the Mayor of the City, the City Clerk, or any other officer or employee of the City authorized by resolution of the City Council to perform specific acts or duties related to the subject matter of the authorization.

“Available PFC/CFC Account” has the meaning set forth in Section 727 hereof.

“Available CFC Revenues” means, for any period of time, the amount of CFCs specified in a Supplemental Resolution or other resolution duly adopted by the Board pursuant to Section 727 hereof.

“Available PFC Account” has the meaning set forth in Section 727 hereof.

“Available PFC Revenues” means, for any period of time, the amount of Passenger Facilities Charges specified in a Supplemental Resolution or other resolution duly adopted by the Board pursuant to Section 727 hereof.

“Available Revenues” means for any period of time, (i) the amount of Available PFC Revenues and Available CFC Revenues to be received by the Authority in an amount for each relevant period not to exceed 1.25 times the Debt Service accruing during such period with respect to that portion of the Bonds issued to finance PFC Projects, as allocated by a certificate of an Authorized Officer of and (ii) the amount of any other future income or revenue source not then included in the definition of "Revenues" and which the Authority— designates as "Available

Revenues" in a future Supplemental Resolution duly adopted by the Board; provided, however that any such Supplemental Resolution shall also establish a corresponding account and other functional provisions for the receipt, deposit and application of such source of income or revenue substantially similar to what is currently provided in Section 727 hereof for Available PFC Revenues and Available CFC Revenues.

“Board” means the Greater Orlando Aviation Authority Board, the governing body of the Authority.

“Bond” or “Bonds” means any bond or bonds, ~~as the case may be, and all other evidences of indebtedness~~ authenticated and delivered pursuant to the Resolution.

“Bond Fund” means the Airport Facilities Bond Fund established by Section 402.

“Bondholder”~~”,~~ “Holder” or “Holder of Bonds” or any similar term means any person who shall be the bearer of any coupon Bond or Bonds or the registered owner of any Bond or Bonds without coupons.

“Bond Obligation” means as of the date of computation, the sum of: (i) the principal amount of all Bonds then Outstanding other than Capital Appreciation Bonds, and (ii) the Accreted Value of all Capital Appreciation Bonds then Outstanding.

“Bond Proceeds” means all amounts received on the sale of a Series of Bonds.

~~“Bond Registrar” means the Trustee and any other bank or trust company organized under the laws of any state or national banking association appointed by the Authority to perform the duties of Bond Registrar enumerated in Section 704.~~

“Capital Appreciation Bonds” means Bonds that bear interest at a compounded rate which is payable only at maturity or upon prior redemption thereof or Bonds issued at a discount from par value that bear no stated interest and appreciate in value over time.

“Capital Expenditures Fund” means the Airport Facilities Capital Expenditures Fund established by Section 402.

“Capitalized Interest” means the proceeds of Bonds or other moneys deposited with the Trustee or other Fiduciary, the application of which is limited by

the terms of the applicable Supplemental Resolution or Issuing Instrument to the payment of interest on specified Bonds for a specified period.

“City” means the City of Orlando, Florida, a municipal corporation in the County of Orange, State of Florida.

“City Council” means the City Council of the City and any successor body.

“Composite Reserve Requirement” means an amount of money or available amount under one or more Reserve Products, or a combination thereof, equal to the lesser of (i) the Maximum Aggregate Debt Service calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount, (ii) 125% of the average annual Aggregate Debt Service calculated with respect to all Series of Bonds outstanding hereunder that are secured by the Composite Reserve Subaccount, or (iii) 10% of the aggregate stated principal amount of all Series of Bonds Outstanding hereunder that are secured by the Composite Reserve Subaccount; provided, however, that in determining the aggregate stated original principal amount of all Bonds Outstanding hereunder for purposes of (iii), the issue price of a Series (net of pre-issuance accrued interest) shall be substituted for the original principal stated amount of that Series if the Series was sold at either an original issue discount or premium exceeding two percent (2%) of the stated redemption price at maturity of such Series.

“Composite Reserve Subaccount” means the subaccount in the Debt Service Reserve Account established pursuant to Section 402.

“Construction Fund” means the Airport Facilities Construction Fund established by Section 402.

“Consulting Engineers” means the engineer or engineering firm or corporation at the time retained by the Authority pursuant to Section 715 to perform the acts and carry out the duties provided for such Consulting Engineers in this Resolution.

“Cost of Construction,” with respect to any Additional Project, means the Authority’s costs properly attributable to the construction or acquisition thereof, including but not limited to, the cost of acquisition by or for the Authority of real or personal property or other interest therein, costs of physical construction, and costs of the Authority incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, cost of audits, fees and expenses of the Fiduciaries and costs of financing, administrative and general overhead and keeping accounts and making reports required by the Resolution prior to

commencement of operation of such Additional Project, amounts, if any, required by the Resolution to be paid into any Fund or Account established under the Resolution upon the issuance of any Series, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than the Bonds) incurred for such Additional Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Additional Project, and may include reimbursement to the Authority for any such items of Cost of Construction theretofore paid by or on behalf of the Authority and such other costs and expenses as provided by Supplemental Resolution.

“Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys (who may be counsel or of counsel to the Authority) selected by the Authority and satisfactory to the Trustee.

“Credit Provider” means, with respect to any Series of Bonds, the issuer of municipal bond insurance policy, letter of credit, surety bond or other credit facility insuring or securing all or a portion of the payment, when due, of the principal of and interest on such Series of Bonds.

“Customer Facility Charges” or “CFCs” means all amounts received by the Authority from the charges imposed by car rental companies upon car rental customers arriving at Orlando International Airport and renting a vehicle from a car rental company serving such Airport, which charges are established by the Authority by resolution, as the same may be amended from time to time, and shall be collected by the car rental companies for the benefit of the Airport System, together with any interest earnings thereon.

“Debt Service” for any period means, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series (other than Capital Appreciation Bonds), except to the extent that such interest is to be paid from deposits (including investment income thereon) in the Debt Service Account made from Bond Proceeds or other amounts available therein, and (ii) that portion of each Principal Installment for such Series of Bonds, which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of such Series, whichever is later). Such interest and Principal Installment for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

Except as otherwise provided herein, for purposes of calculating Debt Service with respect to Variable Rate Bonds, Variable Rate Bonds other than Taxable Bonds shall be assumed to bear interest at 125% of the Tax-Exempt Variable Rate Index as of the date of calculation and Variable Rate Taxable Bonds shall be assumed to bear interest at the Taxable Variable Rate Index as of the date of calculation.

If a Series of ~~Variable Rate~~ Bonds is subject to purchase by the Authority pursuant to a mandatory or optional tender by the holder, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation.

The interest rate for Variable Rate Bonds for purposes of determining the amount, if any, to be deposited into a subaccount in the Debt Service Reserve Account for such Variable Rate Bonds shall be as required by the Supplemental Resolution authorizing the issuance of such Variable Rate Bonds; provided, however, that if no other assumption is provided, the assumptions provided above shall apply.

Other than for purposes of Section 1201 hereof, if, with respect to any portion of Debt Service, the Authority enters into a Qualified Derivative Agreement providing for Qualified Derivative Payments to the Authority which are pledged to the payment of Debt Service in an amount equal to interest on a notional amount equal to the principal portion of such Debt Service (which may include the principal of all or a portion of one or more Series of Bonds), based upon a fixed rate or a variable rate index or formula different from that used to calculate interest on the principal portion of such Debt Service, then the effective synthetic rate of interest to the Authority with respect to such principal portion of Debt Service taking into account (i) the actual interest rate borne by such principal portion of Debt Service, (ii) payments to be received by the Authority pursuant to such Qualified Derivative Agreement and (iii) payment obligations of the Authority to the counterparty under such Qualified Derivative Agreement, all based upon interest on such notional amount as determined by reference to a fixed rate or variable rate index or formula, shall be used for purposes of this definition as the actual rate of interest with respect to such principal portion of Debt Service.

If two Series of Variable Rate Bonds, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds taken as a whole, such composite fixed rate shall be used in determining the Debt Service with respect to such Bonds.

With respect to Designated Maturity Bonds, the unamortized principal coming due on the final maturity date thereof shall be ignored and in lieu thereof there shall be added to the Debt Service for the Bond Year in which such final

maturity occurs and to each Bond Service Year thereafter through the 30th anniversary of the issuance of such Bonds (the "Reamortization Period") the amount of substantially level principal and interest payments (assuming for such purposes such interest rate as a financial advisor selected by the Authority and having national experience in the pricing of municipal bonds shall determine is a reasonable estimate of the rate that such Designated Maturity Bonds would bear based upon such Reamortization Period and the characteristics of such Designated Maturity Bonds) that if paid in each year during the Reamortization Period would be sufficient to pay in full the unamortized portion of such Designated Maturity Bonds by such anniversary.

If moneys or Permitted Investments have been irrevocably deposited with and are held by the Trustee or another Fiduciary or Capitalized Interest has been set aside exclusively to be used to pay Debt Service on specified Bonds, then the Debt Service to be paid from such moneys, Permitted Investments, or Capitalized Interest or from the earnings thereon shall be disregarded and not included in calculating Debt Service.

If Available Revenues or moneys other than Revenues have been irrevocably committed pursuant to a Supplemental Resolution duly adopted by the Board or amounts have been actually deposited for the purpose of paying principal or interest on Bonds, then the principal or interest to be paid from Available Revenues or moneys other than Revenues which have been irrevocably committed or such amounts which have been actually deposited, including any investment earnings thereon, shall be disregarded and not included in calculating Debt Service.

If all or any portion of the interest or principal due or coming due on Bonds is paid or expected to be paid from cash subsidy payments or other similar payments made or expected to be made by the United States Treasury or other federal or State governmental entity to or on behalf of the Authority, the amount of principal or interest so paid or expected to be paid shall not be included in calculating Debt Service.

"Debt Service Account" means the Airport Facilities Debt Service Account established within the Bond Fund by Section 402.

"Debt Service Reserve Account" means the Debt Service Reserve Account established within the Bond Fund by Section 402.

"Debt Service Reserve Requirement" means, with respect to the Composite Reserve Subaccount, the Composite Reserve Requirement; and with respect to each Series of Bonds issued hereunder that is not secured by the Composite Reserve Subaccount, the amount of money, if any, or available amount of Reserve Product, if any, or any combination thereof, required by Supplemental

Resolution adopted prior to the issuance of such Series of Bonds to be maintained in the subaccount in the Debt Service Reserve Account with respect to such Series of Bonds pursuant to Section 405-1(3) hereof, as applicable, ~~which will not cause any existing rating on any Bonds or Series of Bonds Outstanding hereunder to be lowered, suspended or withdrawn,~~ and which amount shall be available for use only with respect to such Series of Bonds.

“Depository” means any bank or trust company qualified under Section 601, selected by the Authority pursuant to the Resolution and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of the Resolution, and may include the Trustee.

“Designated Maturity Bonds” means Bonds of a Series designated as such by Supplemental Resolution adopted in connection with the issuance thereof, for which either (i) no serial maturities or Sinking Fund Installments prior to the maturity thereof have been established, or (ii) the aggregate of such serial maturities and Sinking Fund Installments that have been established is less than the amount necessary to amortize such Bonds on a substantially level debt service basis.

“Discretionary Fund” means the Airport Facilities Discretionary Fund established by Section 402.

“Event of Default” shall have the meaning given to such term in Section 801.

~~“Exempt Costs” means amounts qualifying as costs of exempt facilities under Section 103(b)(4) of the Internal Revenue Code of 1954, as amended and the Treasury Regulations in effect thereunder, which are properly chargeable to the exempt facility’s capital account or would be so chargeable with a proper election by the Authority or would have been so chargeable but for an election to treat such amounts as current expenses.~~

“FAA” means the Federal Aviation Administration, or any successor agency of the Federal Government performing the same or similar functions.

“FAA Regulations” means the regulations of the FAA contained in Title 14, Part 158, Code of Federal Regulations, as amended from time to time, pertaining to the imposition, collection and use of PFCs.

“Fiduciary” means the Trustee, Special Trustee and any Paying Agent, or any or all of them as may be appropriate.

“Fiscal Year” means the then current annual accounting period of the Authority for its general accounting purposes which period, at the time of the

adoption of the Resolution, is the period of twelve consecutive calendar months ending with the last day of September of any year.

“Fitch” means Fitch Investors Service, L.P., a limited partnership organized and existing under the laws of the State of New York, its successors and assigns and, if such entity shall no longer perform the function of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Improvement and Development Fund” means the Airport Facilities Improvement and Development Fund established by Section 402.

“Insurance Consultant” shall have the meaning specified in Section 712 hereof.

“Investment Securities” means any of the following securities, if and to the extent the same are at the time legal for investment of moneys and funds held under the Resolution:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency to the extent such obligations are unconditionally guaranteed by the United States of America (“United States Obligations”);

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including

any Depositary or Paying Agent), provided that such certificates of deposit must be purchased directly from such bank, trust company or national banking association and must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national banking association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured must furnish the Authority with an undertaking satisfactory to the Authority that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association secured by any one or more of the securities described in clauses (i), (ii) or (iii) above;

(vi) pre-refunded obligations of any state or of any agency, instrumentality or local governmental unit of any such state meeting the following conditions:

(A) the obligations are not to be redeemed prior to maturity or the fiduciary for such obligations has been given irrevocable instructions concerning their calling and redemption;

(B) the obligations are secured by cash or United States Obligations that may be applied only to interest, principal and redemption premium payments of such obligations;

(C) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) have been verified by an independent certified public accountant as being sufficient to pay the principal of, redemption premium, if any, and interest on such obligations on the maturity dates or redemption dates

specified in the irrevocable instructions referred to in clause (A) above;

(D) the United States Obligations and cash serving as security for the obligations are held by an escrow agent or trustee;

(E) the United States Obligations and cash are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(F) the obligations are rated in the highest rating category by Moody's and S&P;

(vii) units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to applicable state law as a legal depository of public moneys;

(viii) commercial paper rated ~~in the highest category by S&P and Moody's, at the time of purchase, at a minimum of "Prime-1" by Moody's and "A-1" or better by S&P (prime commercial paper) or equivalent ratings by two Rating Agencies;~~

(ix) interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida, in savings and loan associations located in Florida and organized under federal law and under federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(x) direct general obligations of any state of the United States of America or any political subdivision, agency or municipality thereof whose unsecured, uninsured or unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P, or any obligation fully and unconditionally guaranteed by any such state, political subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated at the time of purchase, "A" or better by Moody's and "A" or better by S&P;

(xi) tax-exempt revenue bond obligations of any state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof rated at the time of purchase at least "Aa" by Moody's and at least "AA" by S&P;

(xii) any certificates, receipts or similar instruments ("Certificates") which were issued by or pursuant to a trust or similar arrangement and which evidence ownership or the right to receive payments of principal or interest or any securities (a) issued by a state of the United States of America or any political subdivision, agency, municipality or governmental unit thereof and (b) meeting the requirements set forth in clauses (iii), (vi), (x) or (xi) above ("Municipal Securities"), which Municipal Securities are held pursuant to such trust or similar agreement for the benefit of the holders of such Certificates; provided, however, that the holders of such Certificates are entitled to rely on an opinion of counsel rendered by a nationally recognized tax counsel that interest received on the Certificates by such holders is excluded from gross income for federal income tax purposes under the Code and is not treated as an item of tax preference for purposes of the alternative minimum tax and is not subject to any similar tax under the Code, unless all tax-exempt bonds are subject to such tax; and

(xiii) such other investments as the Authority is permitted to make with general funds of the Authority.

"Issuing Instrument" means, with respect to Subordinated Indebtedness and Secondary Subordinated Indebtedness described in Section 414 hereof, the indenture, trust agreement, loan agreement, lease, installment purchase agreement, revolving credit agreement, or other instrument or agreement pursuant to which such obligations are issued or incurred.

"Maturity Amount" means the amount payable at maturity of a Capital Appreciation Bond consisting of the original principal amount thereof or discounted principal value (original offering price) and interest or principal accreted thereon to the maturity date thereof, as determined by reference to the accreted value tables contained or referred to in such Bond.

"Maximum Aggregate Debt Service" means, as of any date of calculation, an amount equal to the greatest amount of Aggregate Debt Service for the current or any future Fiscal Year.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally-recognized securities rating agency designated by the Authority, by notice to the Trustee.

"Net Revenues" means the Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means the Authority's expenses for operation, maintenance, repairs, ordinary replacement and ordinary reconstruction of the Airport System and shall include, without limiting the generality of the foregoing, administrative expenses, insurance premiums, legal and engineering expenses, payments to pension, retirements, group life insurance, health and hospitalization funds, or other employee benefit funds, and any other expenses required to be paid by the Authority under the provisions of this Resolution or by law or consistent with standard practices for airports similar to the properties and business of the Airport System and applicable in the circumstances, the expenses, liabilities and compensation of the Fiduciaries required to be paid under this Resolution and all to the extent properly attributable to the Airport System. "Operation and Maintenance Expenses" shall not include any capital ~~cost or any allowance for expense~~, depreciation ~~expense~~, or any ~~other~~ operation or maintenance ~~costs for expense funded by~~ Special Purpose ~~Facilities; provided, however, that "Operation and Maintenance Expenses" shall include operation and maintenance costs incurred by the Authority with respect to any Special Purpose Facilities no part of the revenue and income from which is pledged to the payment of Authority obligations~~ Facility Debt or funded by any source other than Revenues.

"Operation and Maintenance Fund" means the Airport Facilities Operation and Maintenance Fund established by Section 402.

"Operation and Maintenance Reserve Account" means the Operation and Maintenance Reserve Account established within the Operation and Maintenance Fund by subsection 3 of Section 408.

~~"Original Proceeds" means net amounts (after payment of all issuance expenses and underwriter's discount) received by the Authority on the sale and delivery of a Series of Bonds.~~

"Outstanding" or "outstanding," when used with reference to Bonds, means as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Resolution except (a) any Bond cancelled at or before said date, (b) any Bond (or portion of Bonds) for the payment or redemption of which moneys equal to the principal amount (or, with respect to

Capital Appreciation Bonds, Maturity Amount) or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with Article V or provision satisfactory to the Trustee shall have been made for the giving of such notice, (c) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 506 or Section ~~1106~~1006, and (d) any Bond deemed to have been paid as provided in subsection 2 of Section 1201.

“Paying Agent” means any bank or trust company designated by the Authority as paying agent for the Bonds of any Series, and its successor or successors hereafter appointed in the manner provided in the Resolution. Notwithstanding any provisions hereof to the contrary, the Authority may serve as Paying Agent for a Series of Bonds.

“PFC Account” means the PFC Account established in the Discretionary Fund by Section 402.

“PFCs” or “Passenger Facility Charges” means the passenger facility charges authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990, as amended (now codified in Section 40117 of the United States Code), and Section 158.5 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“PFC Projects” means Additional Projects for which the Authority is authorized to impose and use PFCs, as confirmed by a Counsel’s Opinion.

“PFC Revenues” means amounts derived by the Authority from the imposition of PFCs, exclusive of the amounts retained by the air carriers collecting the PFCs pursuant to Section 158.53 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158).

“Pledged Funds” means (1) proceeds of the sale of Bonds, (2) the Revenues, (3) all moneys and investments on deposit in all funds, accounts and subaccounts established by the Resolution (excluding any fund established to pay rebatable arbitrage), provided moneys in a subaccount of the Debt Service Reserve Account shall secure only the Series of Bonds designated by Supplemental Resolution to be secured by such subaccount, and (4) any Available Revenues, provided such Available Revenues shall secure only the Series of Bonds to which they are pledged pursuant to a Supplemental Resolution.

“Principal Installment” means, as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (i) the

principal amount of Bonds of such Series (other than the Capital Appreciation Bonds) and the Maturity Amount of the Capital Appreciation Bonds of such Series, in each case, due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in subsection 5 of Section 411 or Section 504) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount, or Accreted Value with respect to Capital Appreciation Bonds, equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds other than Capital Appreciation Bonds and the Maturity Amount of Capital Appreciation Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any, for such Bonds.

“Qualified Derivative Agreement” means an agreement such as an interest rate swap, collar, cap, or other functionally similar agreement the purpose of which is to manage the effective interest cost on the Authority’s outstanding debt, between the Authority and a counterparty whose long-term unsecured debt is at all times rated at least “A” or the equivalent by S&P and “A2” or the equivalent by Moody’s, creating Qualified Derivative Payments and designated by the Authority as a Qualified Derivative Agreement for purposes of this Airport Facilities Revenue Bond Resolution. In the event the credit rating of the counterparty to a Qualified Derivative Agreement is reduced below such rating categories, such agreement shall no longer constitute a Qualified Derivative Agreement for purposes hereof.

“Qualified Derivative Payment” means a payment to the Authority by a counterparty pursuant to a Qualified Derivative Agreement, the amount of which is equal to interest on a notional amount, based upon a fixed rate or a variable rate index or formula.

“Qualified Self Insurance” shall have the meaning specified in Section 712 hereof.

“Rating Agency” means as of any time, and to the extent it is then providing or maintaining a rating on Bonds outstanding hereunder at the request of the Authority, Fitch, Moody’s, S&P, or any other nationally recognized ~~rating~~ agency statistical ratings organization.

“Redemption Price” means, with respect to any Bond, the principal amount or, with respect to Capital Appreciation Bonds, the Accreted Value to the redemption date of such Bond, plus (in either case) the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to Section 205, and thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 506 or ~~1106~~1006.

“Renewal and Replacement Fund” means the Airport Facilities Renewal and Replacement Fund established by Section 402.

“Released Revenues” means a category of income, receipts and other revenues of the Authority which are excluded from the definition of “Revenues” pursuant to Section 416.

“Reserve Product” means bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Composite Reserve Subaccount or any other subaccount in the Debt Service Reserve Account and meeting the terms and conditions of Section 405-1(3) of this Resolution, as applicable.

“Reserve Product Provider” means a bond insurance provider or a bank or other financial institution providing a Reserve Product, whose bond insurance policies insuring, or whose letters of credit, surety bonds or other credit facilities securing, the payment, when due, of the principal of and interest on bond issues by public entities, at the time such Reserve Product is obtained, results in such issues (as of the date such Reserve Product is delivered) being rated in one of the two highest full rating categories by each of the Rating Agencies; provided, however, that nothing herein shall require the Authority to obtain a rating on any Bonds issued under this Resolution.

“Resolution” means this Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, as the same may from time to time be amended or supplemented by a Supplemental Resolution in accordance with the terms hereof and as the same may be amended and restated from time to time, including by the Amended and Restated Bond Resolution, approved on September 16, 2015.

“Revenue Fund” means the Airport Facilities Revenue Fund established by Section 402.

“Revenues” means

(i) all income and revenues from all sources, collected or received by the Authority in the operation of the Airport System, including without limitation except as herein expressly provided, all rentals, charges, landing fees, use charges and concession revenue received by or on

behalf of the Authority in its capacity as the operator of the Airport System in connection with the operation, improvement and enlargement of the Airport System, or any part thereof;

(ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System's benefit which are: ~~(a) not restricted in application to a special purpose, and (b) otherwise~~ lawfully available for the payment of ~~charges~~debt service with respect to ~~the any~~ Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness, or payment of Operation and Maintenance Expenses;

(iii) income received on any investment of moneys held pursuant to the Resolution and paid into the Revenue Fund pursuant to the terms of the Resolution; ~~and~~

~~(iv) Available PFC Revenues for the applicable period.~~

(iv) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to the Airport System or activities or undertakings related thereto; and

(v) Special Purpose Facility Revenues, to the extent designated as Revenues by Supplemental Resolution.

The term “Revenues” shall not include:

(a) any revenue or income from Orlando Executive Airport or any additions, extensions or

improvements thereto unless Orlando Executive Airport is added to the Airport System as provided in the definition of "Airport System." ~~"Revenues" shall include the revenue or income from Special Purpose Facilities but only to the extent such revenue or income is not pledged to the payment of obligations of the Authority issued to finance such Facilities. The term "Revenues" shall include PFC Revenues only to the extent they constitute Available PFC Revenues for the applicable period."~~

(b) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the Airport System's benefit which are not lawfully available for the payment of Operation and Maintenance Expenses or payment of debt service with respect to any Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(c) insurance proceeds, to the extent used by the Authority to repair or replace damaged property or to the extent the use of such proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of Operation and Maintenance Expenses or the payment of debt service with respect to Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(d) any Transfers;

(e) any Released Revenues;

(f) any unrealized gains on securities held for investment by or on behalf of the Authority;

(g) any gains resulting from changes in valuation of any Qualified Derivative Agreement;

(h) any unrealized gains from the write-down, reappraisal or revaluation of assets;

(i) the proceeds of Bonds, Subordinated Indebtedness and Secondary Subordinated Indebtedness;

(j) Passenger Facility Charges;

(k) Customer Facility Charges;

(l) investment income derived from any moneys or securities which may be placed in escrow or trust to defease Bonds, Subordinated Indebtedness or Secondary Subordinated Indebtedness;

(m) Subordinated Pledged Revenues;

(n) cash subsidy payments or similar payments made by the U.S. Treasury or other federal or State governmental entity to or on behalf of the Authority for payment coming due on the Bonds or any portion thereof;

(o) any arbitrage earnings which are required to be paid to the United States of America pursuant to Section 148 of the Code;

(p) interest earnings or other investment earnings on any Account in the Construction Fund established by any Supplemental Resolution unless otherwise provided in such Supplemental Resolution; and

(q) Special Purpose Facility Revenues, except as otherwise provided by Supplemental Resolution.

"Secondary Subordinated Indebtedness" means any evidence of debt referenced in, and complying with the provisions of, Section 414.

"Series" means all Bonds, including Additional Bonds, authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 506, or Section ~~1106~~1006, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"Sinking Fund Installment" means, an amount so designated which is established pursuant to paragraph (2)(h) of subsection 1 of Section 202.

"Special Purpose Facilities" means any capital improvements or facilities ~~acquired or constructed by the Authority from funds other than Revenues or obligations payable from Revenues and located or to be located on any property included under the definition of Airport System~~ specifically designated as such by the Authority pursuant to Section 722 hereof.

“Special Purpose Facility Debt” means any evidence of debt referred to in, and complying with the provisions of, Section 722 hereof.

“Special Purpose Facility Revenues” means (i) the revenues, income, rentals, payments or other charges arising from, or generated by or to be derived by the Authority with respect to, one or more Special Purpose Facilities which are pledged to secure Special Purpose Facility Debt, and (ii) moneys on deposit in the Discretionary Fund, Subordinated Pledged Revenues or contractual payments made or received by the Authority which the Authority has either pledged or agrees may be pledged by the owner, operator or user of one or more Special Purpose Facilities to secure Special Purpose Facility Debt.

“Special Trustee” means the special trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“Standard & Poor’s” or “S&P” means Standard & Poor’s, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, by notice to the Trustee.

“Subordinated Indebtedness” means any evidence of debt referred to in, and complying with the provisions of, Section 414.

“Subordinated Pledged Revenues” means, with respect to Subordinated Indebtedness ~~described in Section 414 hereof, or Secondary Subordinated Indebtedness,~~ such moneys, revenues and income which shall be pledged to payment of such Subordinated Indebtedness or Secondary Subordinated Indebtedness, other than Revenues.

“Supplemental Resolution” means any resolution of the Authority amending or supplementing the Resolution and adopted and becoming effective in accordance with the terms of Article X.

~~“Supplemental Revenues” means any source of funds not constituting Revenues hereunder irrevocably pledged to the payment of debt service on one or more series of Bonds outstanding hereunder by Supplemental Resolution and with respect to which there has been delivered to the Trustee (a) an opinion of Bond Counsel to the effect that the pledging of such source of Supplemental Revenues shall not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds outstanding hereunder that are not Taxable~~

~~Bonds, (b) the written consent of any bond insurer or other credit enhancer having in effect a bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds outstanding hereunder, and (c) confirmation from the Rating Agencies that the pledging of such source of Supplemental Revenues will not result in the reduction or withdrawal of the credit ratings assigned to the Bonds, or, if unrated and non-credit enhanced, then consent of the owners of not less than a majority of such unrated, non-credit enhanced Bond Obligation.~~

“Tax-Exempt Bonds” shall have the meaning provided in Section 728 hereof.

“Tax-Exempt Variable Rate Index” means the average of the PSA Municipal Swap Index for the twelve (12) months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, or, if such index is no longer published, the Tax Exempt Variable Rate Index shall be determined in accordance with such formula or index or in such manner as the Authority shall in good faith determine will provide substantially the same rate and, if the Authority has Bonds outstanding hereunder rated by the Rating Agencies, then with respect to which the Authority receives confirmation from such Rating Agencies that the calculation of the Tax Exempt Variable Rate Index in such manner will not result in a reduction or withdrawal of the then applicable rating on the Bonds.

~~“Taxable Bonds” means Bonds the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the owners thereof for federal income tax purposes.~~

“Taxable Bonds” shall have the meaning provided in Section 728 hereof.

“Taxable Variable Rate Index” means the average yield on 30-day United States Treasury Bills for the twelve (12) calendar months preceding the date of calculation, or, in connection with the issuance of Bonds, the twelve (12) calendar months preceding the date of pricing of the Bonds to be issued, plus fifty (50) basis points.

“Transfer” shall have the meaning provided in Section 711 hereof.

“Trustee” means the trustee appointed pursuant to Article IX, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

“Variable Rate Bonds” means Bonds issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

SECTION 102. Authority for this Resolution. This Airport Facilities Revenue Bond Resolution is adopted pursuant to the provisions of the Act.

SECTION 103. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Authority with the Holders of the Bonds and shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time of the Bonds and the coupons appertaining thereto; and the pledge made in this Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for equal benefit, protection and security of the Holders of any and all of the Bonds and coupons appertaining thereto, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds or coupons appertaining thereto over any other thereof except as expressly provided in or pursuant to this Resolution.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 201. Authorization of Bonds.

1. This Resolution creates an issue of Bonds of the City to be designated as "Airport Facilities Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under the Resolution is not limited except as is or may hereafter be provided in the Resolution or as limited by law.

2. The Bonds may, if and when authorized by the Authority pursuant to this Resolution or one or more Supplemental Resolutions, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series, as the Authority may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

3. Nothing contained in the Resolution shall be deemed to preclude or restrict the consolidation pursuant to a Supplemental Resolution of any Bonds of two or more separate Series authorized pursuant to such Supplemental Resolution to be issued pursuant to any of the provisions of Sections 202, 203, 204 and 205 into a single Series of Bonds for purposes of sale and issuance; provided that each of the tests, conditions and other requirements contained in Sections 202, 203, 204 and 205 as applicable to each such separate Series shall be met and complied with.

Except as otherwise provided in this subsection or in such Supplemental Resolution, such a consolidated Series shall be treated as a single Series for all purposes of the Resolution.

SECTION 202. General Provisions for Issuance of Bonds.

1. All (but not less than all) the Bonds of each Series shall be executed by the City and countersigned by the Authority for issuance under the Resolution and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order, but only upon the receipt by the Trustee of:

(1) A written order as to the delivery of such Bonds, signed by an Authorized Officer of the Authority;

(2) In the case of each Series of Bonds or Refunding Bonds, a copy or copies of the Supplemental Resolution or Supplemental Resolutions authorizing such Bonds and determining (or delegating to one or more Authorized Officers authorization to determine) the terms and details thereof, certified by an Authorized Officer of the Authority, which shall specify (or delegate authority to one or more Authorized Officers to specify):

(a) The authorized principal amount, designation and Series of such Bonds;

(b) The purposes for which such Series of Bonds is being issued, which shall be (i) one or more of the purposes specified in Sections 203 or 204, or (ii) the refunding of Bonds or certain other obligations as provided in Section 205;

(c) The date, and the maturity date or dates, of the Bonds of such Series, provided that each maturity date shall fall upon an interest payment date;

(d) The interest rate or rates of the Bonds of such Series, or the manner of determining such rate or rates, which rate or rates may include variable, adjustable, convertible, auction reset or other rates, original issue discounts, Capital Appreciation Bonds and zero coupon bonds, and the interest payment dates, if any, therefor;

(e) The denominations of, and the manner of dating, numbering and lettering, the Bonds of such Series, ~~provided that such Bonds shall be in denominations of \$5,000 (or in the case of Capital~~

~~Appreciation Bonds, \$5,000 Maturity Amounts) or any integral multiple thereof as authorized by such Supplemental Resolution;~~

(f) The Paying Agent or Paying Agents and the place or places of payment of the principal of, redemption premium, if any, and interest on, the Bonds of such Series;

(g) The Redemption Price or Prices, if any, and subject to Article V, the redemption terms for the Bonds of such Series; provided that if such Bonds shall be redeemable by application of any Sinking Fund Installment within the period during which such Sinking Fund Installment (as a Principal Installment) shall be deemed to accrue in accordance with the definition of Debt Service, the sinking fund Redemption Price applicable within such period shall be the same as that applicable on the due date of such Sinking Fund Installment;

(h) The amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series, provided that each Sinking Fund Installment due date shall fall upon an interest payment date for such Bonds;

(i) If so determined by the Authority, the provisions for the sale of the Bonds of such Series;

(j) The forms of the Bonds of such Series, of the coupons to be attached to the coupon Bonds of such Series and of the Trustee's certificate of authentication;

(k) The provisions for the applications of proceeds of such Series of Bonds;

(l) A designation as whether such Series of Bonds shall be secured by the Composite Reserve Subaccount, a separate subaccount in the Debt Service Reserve Account, or no debt service reserve, and, if secured by a separate subaccount in the Debt Service Reserve Account, the Debt Service Reserve Requirement with respect thereto;

(m) The terms, if any, upon which the holder of such Bond may elect, or may be required, to tender such Bonds for purchase by the Authority or its designated agent; ~~and~~ and

(n) A copy of a resolution of the City Council, certified by the City Clerk, approving the issuance of the Bonds to be authenticated.

(3) The amount, if any, necessary, for deposit in the Debt Service Reserve Account in the Bond Fund so that such Account shall equal the applicable Debt Service Reserve Requirement calculated immediately after the authentication and delivery of such Series of Bonds;

(4) Except in the case of Refunding Bonds issued for purposes of refunding Outstanding Bonds, a certificate executed by an Authorized Officer of the Authority and an Authorized Officer of the City stating that neither the Authority nor the City is in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Resolution;

(5) A Counsel's Opinion to the effect that (i) the Authority has the right and power under the Act to adopt the Resolution and the Resolution has been duly and lawfully adopted by the Authority and approved by the City Council, is in full force and effect and is valid and binding upon the Authority and the City, and is enforceable in accordance with its terms (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights) and no other authorization for the Resolution is required; (ii) the Resolution creates the valid pledge which it purports to create of the moneys, securities and Funds held or set aside under the Resolution and of all Revenues, subject in each case to the application thereof to the purposes and on the conditions permitted by the Resolution; and (iii) the Bonds of such Series are valid and binding limited obligations of the City as provided in the Resolution, and are enforceable in accordance with their terms and the terms of the Resolution (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights) and entitled to the benefits of the Resolution and of the Act, as amended to the date of such Opinion, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act, as amended to the date of such Opinion, and in accordance with the Resolution;

(6) Such further documents, moneys and securities as are required by the provisions of Sections 203, 204 or 205 or Article X or any Supplemental Resolution adopted pursuant to Article X.

2. After the original issuance of Bonds of any Series, except as otherwise provided by Supplemental Resolution, no Bonds of such Series shall be

issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III or Sections 506 or ~~1106~~1006.

SECTION 203. ~~[Deleted]~~.

SECTION 204. Additional Bonds.

1. ~~[Deleted]~~

2. One or more Series of Additional Bonds may be authorized and delivered upon original issuance for the purpose of paying the Cost of Construction of any Additional Project. The Bonds of any such Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of the following documents:

~~(1) A certificate of an (a) An Authorized Officer of the Authority setting forth (i) for or an Airport Consultant has provided a certificate stating that Net Revenues and any period of Subordinated Pledged Revenues for either the most recent Fiscal Year for which audited financial statements of the Airport System are available or any 12 consecutive calendar months out of the 30 calendar most recent 24 consecutive months next immediately preceding the authentication and delivery of such Series, the Net Revenues for such 12 month period, (ii) the Supplemental Revenues, if any (month of issuance of the proposed Additional Bonds would be sufficient if the same amount were received over the next three full Fiscal Years, to satisfy the rate covenant set forth in Section 711 hereof (provided Subordinated Pledged Revenues shall not to exceed 1.25 times the Aggregate Debt Service in such Fiscal Year be utilized in determining compliance with respect to the provisions of Section 711.2 hereof), when considering the projected Aggregate Debt Service on such proposed Additional Bonds for each Series of Bonds secured by such Supplemental Revenues), for such 12 month period, and (iii) the Aggregate Debt Service of the Outstanding Bonds (next three full Fiscal Years following issuance of the Additional Bonds, or each of the next two full Fiscal Years from the issuance of the Additional Bonds during which there is no Capitalized Interest funded from proceeds of such Additional Bonds, whichever is later, including the Aggregate Debt Service with respect to each series of Bonds secured by Supplemental Revenues), for during such 12 month period, and demonstrating Fiscal Years on such proposed Additional Bonds; or~~

(b) An Airport Consultant has provided a certificate stating that for such 12 month period, based upon assumptions the

Airport Consultant deems reasonable, projected Net Revenues, plus and any Supplemental Subordinated Pledged Revenues, will be sufficient to satisfy the rate covenant set forth in Section 711 hereof (provided Subordinated Pledged Revenues in an amount shall not to exceed 1.25 times the be utilized in determining compliance with the provisions of Section 711.2 hereof), when considering the projected Aggregate Debt Service on the Series of such proposed Additional Bonds secured thereby, equaled at least for each of the next three full Fiscal Years following issuance of the Additional Bonds, or each of the next two full Fiscal Years from issuance of the Additional Bonds during which there is no Capitalized Interest funded from proceeds of such Additional Bonds, whichever is later, including Aggregate Debt Service during such Fiscal Years on such proposed Additional Bonds.

For purposes of 1(a) above, the Authority or Airport Consultant shall be allowed to adjust Revenues for earnings arising from any increase in the rates, charges and fees for the use of the Airport System which has become effective prior to the issuance of such proposed Additional Bonds but which, during the Fiscal Year or 12-month period utilized by the Authority for purposes of 1.25 times the (a) above, was not in effect for the entire Fiscal Year or 12-month period under consideration, in an amount equal to the amount by which the Revenues would have been increased if such increase in rates, charges and fees had been in effect during the whole Fiscal Year or 12-month period under consideration, as determined by an Authorized Officer of the Authority or Airport Consultant.

For purposes of 1(b) above, in estimating Revenues, the Airport Consultant may take into account (i) Revenues from new Airport System facilities or other new capital improvements reasonably expected to become available during the period for which the estimates are provided, (ii) any increase in fees, rates, charges, rentals or other sources of Revenues which has been approved by the Board and will be in effect during the period for which the estimates are provided, or (iii) any other increases in Revenues which the Airport Consultant believes to be a reasonable assumption for such period. With respect to Operation and Maintenance Expenses, the Airport Consultant shall use such assumptions as such Airport Consultant believes to be reasonable, taking into account: (a) historical Operation and Maintenance Expenses, (b) Operation and Maintenance Expenses associated with the capital improvements to be funded with the proceeds of the Additional Bonds proposed to be issued and any other new capital improvements and Airport System facilities, and (c) such other factors, including inflation and changing operations or policies of the Authority, as the Airport Consultant believes to be appropriate. The Airport Consultant shall include in such certificate or in a separate accompanying report a description of the assumptions used and the calculations made in determining the estimated Revenues and shall also set forth

the calculations of Aggregate Debt Service of the Outstanding Bonds; which calculations may be based upon information provided by the Authority.

~~(2) — A report For purposes of preparing the Consulting Engineers setting forth (i) the estimated substantial completion and placed in service date for the Additional Project for which such Series of Additional Bonds is being issued and for any other uncompleted Project, and (ii) an estimate of the Cost of Construction of such Additional Project and of any other uncompleted Project and any other Additional Project (an "Anticipated Additional Project") as to which the Authority expresses, by a certificate of an or certificates described above, the Authorized Officer of the Authority; its intention and reasonable expectation to undertake prior to the end of the Fiscal Year following the Fiscal Year in which the completion date described in clause (i) is estimated to occur by the Consulting Engineers; and~~

~~(3) — A report of the or Airport Consultant setting forth for each of the three (3) Fiscal Years following the Fiscal Year in which the Consulting Engineers estimate such Additional Project will be substantially completed and placed in service pursuant to clause (i) of paragraph (2) above, estimates, taking into account the effect of any Anticipated Additional Project, of (i) Not Revenues, and Supplemental Revenues, if any, (ii) amounts to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, and (iii) the Aggregate Debt Service (including Aggregate Debt Service for each Series of Bonds secured by Supplemental Revenues) of Outstanding Bonds, and, as estimated by, as applicable, may rely upon financial statements prepared by the Authority which have not been subject to audit by an independent certified public accountant or firm of independent certified public accountants if audited financial statements for the Fiscal Year or period are not available; provided, however, that an Authorized Officer of the Authority, shall certify as to their accuracy and that such financial statements were prepared substantially in accordance with respect to future Series of Bonds, if any, which such Authorized Officer shall estimate (based on the estimate of the Consulting Engineers of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project) will be required to complete payment of the Cost of Construction of such Additional Project and any other uncompleted Project and any Anticipated Additional Project, for each of the three (3) Fiscal Years following the Fiscal Year in which the Additional Project is estimated by the Consulting Engineers to be completed as provided in clause (i) of paragraph (2) above, and demonstrating that the estimated Not Revenues in each of the Fiscal Years set forth in clause (i) above less the sum of the amounts to be deposited in certain funds and accounts in each such Fiscal Year set forth in clause (ii) above, and plus the estimated Supplemental Revenues in~~

~~each of the Fiscal Years set forth in clause (i) above, not to exceed in any such Fiscal Year an amount equal to 1.25 times the Aggregate Debt Service in such Fiscal Year with respect to each Series of Bonds secured by such Supplemental Revenues, is at least equal to 1.25 times the Aggregate Debt Service of the Outstanding Bonds for the corresponding Fiscal Year as set forth in clause (iii) above generally accepted accounting principles.~~

Neither of the certificates described under 1(a) or 1(b) above shall be required if the proceeds of Additional Bonds being issued will be used to pay costs of completing the construction of an Additional Project for which Bonds have previously been issued and the principal amount of such Additional Bonds being issued for completion purposes does not exceed an amount equal to 10% of the principal amount of the Bonds originally issued for such Additional Project as shown in a written certificate of an Authorized Officer of the Authority and there is provided (i) a certificate of an Authorized Officer of the Authority or an Airport Consultant stating that the nature and purpose of such Additional Project has not materially changed and that the proceeds of such Additional Bonds plus any other moneys in the Construction Fund available to pay the Costs of Construction of such Additional Project are expected to be sufficient to pay the Costs of completing the Construction of the Additional Project, and (ii) a certificate of an Authorized Officer of the Authority to the effect that (a) all proceeds (including investment earnings on amounts in the Construction Fund allocable to such Additional Project) of the Bonds issued to finance such Additional Project have been or will be used to pay Costs of Construction of the Additional Project, indicated the amount of such proceeds and investment earnings; and (b) the then estimated Costs of the Construction of the Additional Project.

2. The proceeds, including accrued interest, of the Additional Bonds of each Series shall be applied simultaneously with the delivery of such Bonds in accordance with the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

43. The Supplemental Resolution authorizing a Series of Additional Bonds may provide that the holder of any Bond of such Series may demand payment of principal and interest from the Authority within a stated period after delivering notice to a designated agent for the Authority and providing a copy of the notice with the tender of the Bond to such agent and may provide that under certain circumstances the Holder thereof may be required to tender its Bond for purchase. The designated agent for the Authority, in accordance with the terms of a remarketing or replacement agreement, may provide for the resale or redelivery of the Bonds on behalf of the Authority at a price provided for in the agreement. If the Bonds shall not be resold or redelivered within a stated period, the agent for the Authority may be authorized to draw upon a previously executed credit or liquidity agreement between the Authority and one or more banks or other financial or

lending institutions permitting the Authority to borrow for payment of the purchase price of the Bonds to which such credit agreement shall pertain. The particular form or forms of such demand provisions, the period or periods for payment of principal and interest after delivery of notice, the appointment of the agent for the Authority, the terms and provisions of the remarketing or replacement agreement, and the terms and provisions of the credit or liquidity agreement shall be as designated by a Supplemental Resolution of the Authority adopted prior to the sale of the applicable Series of Bonds.

Unless otherwise provided by Supplemental Resolution adopted prior to the issuance of the applicable Series of Bonds, a purchase of Bonds by or through a remarketing agent, trustee, auction agent, credit facility provider or the Authority pursuant to an optional or mandatory tender shall not be deemed a redemption of such Bonds and will not be deemed to extinguish or discharge the indebtedness evidenced by such Bonds. Any Bonds purchased by or on behalf of the Authority pursuant to an optional or mandatory tender shall be purchased with the intent that the indebtedness evidenced by such Bonds shall not be extinguished or discharged; such indebtedness shall not be extinguished or discharged and such Bonds shall remain outstanding hereunder unless and until such Bonds are delivered to the Trustee or Paying Agent therefor for cancellation.

SECTION 205. Refunding Bonds.

1. One or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund (a) all Outstanding Bonds of one or more Series or all or any portion of one or more maturities within a Series, or (b) any Subordinated Indebtedness. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the Funds under the Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof.

2. Refunding Bonds of each Series issued to refund one or more Series of Outstanding Bonds, or one or more maturities, or any portion of a maturity, within a Series shall be authenticated and delivered by the Trustee only upon receipt by it from the Authority (in addition to the documents and moneys required by Section 202) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on a redemption date specified in such instructions;

(2) If the Bonds to be refunded are not by their terms subject to redemption within the next succeeding 60 days, irrevocable

instructions to the Trustee, satisfactory to it, to make due publication of the notice provided for in Section 1201 to the Holders of the Bonds and coupons being refunded;

(3) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) Investment Securities in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection 2 of Section 1201 and any moneys required pursuant to said subsection 2, which Investment Securities and moneys shall be held in trust and used only as provided in said subsection 2;

(4) Either of the following: (i) a certificate of an Authorized Officer of the Authority setting forth (1) the Aggregate Debt Service through the date of the latest maturity of any Bonds of any Series then Outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth pursuant to (B) above is no greater than that set forth pursuant to (A) above; or (ii) the certificates required by subsection 21 of Section 204 evidencing that such Series of Refunding Bonds meets the tests provided for by such subsection 21 considering, for all purposes of such certificate and tests, that such Series of Refunding Bonds is a Series of Additional Bonds.

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such Funds and Accounts under the Resolution as shall be provided in the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof and shall be applied to the refunding purposes thereof in the manner provided in said Supplemental Resolution.

3. Each Series of Refunding Bonds issued pursuant to clause (b) of subsection 1 of this Section to refund any outstanding Subordinated Indebtedness shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the documents, securities and moneys required by Section 202) of:

~~(1) Each of the documents referred to in subsection 2 of Section 204, provided that in the event that an Additional Project for which such Subordinated Indebtedness was incurred shall have been completed, (i) the required statement pertaining to the estimate of the completion date thereof shall no longer be applicable and (ii) the period of time to be covered under the provisions of subparagraph (3) of subsection 2 of Section 204 shall be the three (3) Fiscal Years following the Fiscal Year in which such Series of Refunding Bonds are issued;~~

(1) Each of the documents referred to in subsection 1 of Section 204;

(2) A certificate of the Trustee (which can be based upon a verification report) then duly appointed or acting under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness, or of an Authorized Officer of the Authority if there shall be no such trustee, that (i) provision has been duly made for the redemption or payment at maturity of such Subordinated Indebtedness in accordance with the terms thereof, (ii) the pledge, if any, pursuant to Section 414 securing such Subordinated Indebtedness, and all other rights granted by such indenture, resolution or instrument shall have been discharged and satisfied, and (iii) such trustee or the paying agents for such Subordinated Indebtedness hold in trust the moneys required to effect such redemption or payment; and

(3) A certificate of an Authorized Officer of the Authority stating that the Authority is not in default in the performance of any of the covenants in the Resolution; ~~and~~

~~(4) A Counsel's Opinion to the effect that all actions required under the indenture, resolution or other appropriate instrument securing and authorizing such Subordinated Indebtedness to provide for the redemption or payment of such Subordinated Indebtedness have been taken.~~

The proceeds, including accrued interest, of the Refunding Bonds of each such Series shall be applied simultaneously with the delivery of such Bonds for the purpose of making deposits in such ~~Funds~~ funds and ~~Accounts under the Resolution~~ accounts as shall be provided in the Supplemental Resolution authorizing such Series or determining the terms and details thereof and shall be applied to refund such Subordinated Indebtedness, including expenses in connection therewith, in the manner provided in said Supplemental Resolution.

SECTION 206. Qualified Derivative Agreements. The Authority may enter into one or more Qualified Derivative Agreements with respect to all or a portion of the Debt Service with respect to Bonds outstanding hereunder; provided, however, that if such Qualified Derivative Agreement is not entered into at the time of initial issuance of the Bonds to which it applies, the Authority must deliver the report described in ~~subparagraph (3) of~~ Subsection 204-~~21~~ 21 above, applying the same to all Bonds then Outstanding, but using the assumptions provided in the definition of "Debt Service" with respect to the Qualified Derivative Agreement and the portion of Debt Service to which it relates as of the effective date of such Qualified Derivative Agreement. Qualified Derivative Payments received by the Authority under any Qualified Derivative Agreement shall be deposited upon receipt in the Revenue Fund.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 301. Medium of Payment; Form and Date; Letters and Numbers; Accrual and Payment of Interest; Place of Payment.

1. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

2. The Bonds of each Series shall be issued in the form of coupon Bonds and/or in the form of fully registered Bonds without coupons as provided in this Resolution or the Supplemental Resolution authorizing such Series.

3. Each Bond shall be lettered and numbered as provided in this Resolution or the Supplemental Resolution authorizing the Series of which such Bond is a part and so as to be distinguished from every other Bond.

4. Coupon Bonds of each Series shall be dated as provided in this Resolution or the Supplemental Resolution authorizing the Bonds of such Series. Coupon Bonds of each Series shall bear interest from their date, payable, in the case of installments due on and prior to maturity, in accordance with, and upon surrender of, the appurtenant interest coupons as they severally mature. Except as may be otherwise provided by the Supplemental Resolution authorizing a Series of Bonds, registered Bonds of each Series shall be dated as of the date six months preceding the interest payment date next following the date of authentication thereof by the Trustee, unless such date of authentication shall be an interest payment date, in which case they shall be dated as of such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of any Series shall be in default, the registered Bonds of such Series issued in

lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered; provided, further, that if the date of authentication shall be prior to the first interest payment date for the Bonds of such Series, registered Bonds shall be dated as provided in the Supplemental Resolution authorizing the Bonds of such Series or containing the terms and details thereof. Registered Bonds of each Series shall bear interest from their date.

5. The interest on, and principal and Redemption Price (if any) of, each Series of Bonds shall be payable at a designated office of each Paying Agent named in the Supplemental Resolution relating to such Series of Bonds.

SECTION 302. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, the Act, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

SECTION 303. Execution and Authentication.

1. The Bonds and any coupons appertaining thereto shall be signed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the Chairman of the Board. The seal of the City (or a facsimile thereof) shall be impressed, imprinted or lithographed thereon and attested by the manual or facsimile signature of the City Clerk, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds or coupons appertaining thereto shall cease to be such officer before such Bonds and coupons so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds and coupons may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds and coupons had not ceased to hold such offices. Any Bond or coupons of a Series may be signed and sealed by such persons as at the time of the execution of such Bonds or coupons shall be duly authorized or hold the proper office, although at the date borne by the Bonds and coupons of such Series such persons may not have been so authorized or have held such office.

2. The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in this Resolution or the Supplemental Resolution authorizing such Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Bond and no coupon thereunto appertaining shall be valid or obligatory for any purpose until such certificate of

authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the Holder thereof is entitled to the benefits of the Resolution.

3. Except as otherwise provided in Section 307, the Trustee, before authenticating and delivering any coupon Bonds, shall cut off, cancel and destroy all matured coupons thereto attached, except matured coupons for which payment in full has not been made or provided for; provided, however, that when coupon Bonds are issued in exchange for registered Bonds of any Series upon which interest is in default, as shown by the records of the Trustee, such coupon Bonds shall have attached thereto all coupons maturing after the date to which interest has been paid in full, as shown by the records of the Trustee, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

SECTION 304. Interchangeability of Bonds.

1. Coupon Bonds, upon surrender thereof at the principal office of the Trustee with all unmatured coupons attached, may, at the option of the Holder thereof, and upon payment by such Holder of any charges which the Trustee may make as provided in Section 306, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any of the authorized denominations.

2. Registered Bonds, upon surrender thereof at the principal office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his duly authorized attorney, may, at the option of the registered owner thereof, and upon payment by such registered owner of any charges which the Trustee may make as provided in Section 306, be exchanged for an equal aggregate principal amount of coupon Bonds of the same Series and maturity with appropriate coupons attached, or of registered Bonds of the same Series and maturity of any other authorized denominations.

SECTION 305. Negotiability, Transfer and Registry.

1. Title to any coupon Bond, and to any coupons shall pass by delivery as negotiable instruments payable to bearer.

2. Each registered Bond shall be transferable only upon the books of the Authority, which shall be kept for the purpose at the principal office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his

duly authorized attorney. Upon the transfer of any such registered Bond the Authority shall issue in the name of the transferee a new registered Bond or Bonds or, at the option of the transferee, coupon Bonds, with appropriate coupons attached, of the same aggregate principal amount, or in the case of Capital Appreciation Bonds, of the same aggregate Maturity Amount, and Series and maturity as the surrendered Bond.

3. The Authority and each Fiduciary may deem and treat the person in whose name any registered Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of, and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary.

SECTION 306. Regulations With Respect to Exchanges and Transfers.

In all cases in which the privilege of exchanging Bonds or transferring registered Bonds is exercised, the City shall execute and the Authority shall countersign and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Resolution. All Bonds and coupons surrendered in any such exchanges or transfers shall forthwith be cancelled by the Trustee or shall be retained in safekeeping by the Trustee until such Bonds are needed for a later exchange. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, governmental fee or other governmental charge required to be paid with respect to such exchange or transfer. Except as may be otherwise provided with respect to a Series of Bonds by the Supplemental Resolution authorizing such Series of Bonds, neither the Authority nor the Trustee shall be required (a) to transfer or exchange Bonds of any Series for a period of ten (10) days next preceding an interest payment date on the Bonds of such Series or next preceding any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notices of redemption, or (b) to transfer or exchange any Bonds called for redemption.

SECTION 307. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute, and the Authority shall countersign and thereupon the Trustee shall authenticate and deliver, a new Bond (with appropriate coupons attached in the case of coupon Bonds) of like Series, maturity and principal amount as the Bonds and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost, upon filing with the Trustee

evidence satisfactory to the Authority and the Trustee that such Bond and attached coupons, if any, have been destroyed, stolen or lost and proof of ownership thereof, upon furnishing the Authority and the Trustee with a surety bond in an amount satisfactory to them, upon the payment of the cost of preparing and issuing the new Bond, and upon complying with such other reasonable conditions and regulations as the Authority and Trustee may prescribe and paying such other expenses as the Authority and Trustee may incur. All Bonds and coupons so surrendered to the Trustee shall be cancelled by it. Any such new Bonds or coupons issued pursuant to this Section in substitution for Bonds or coupons alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds and coupons so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be entitled to equal and proportionate benefits with all other Bonds and coupons issued under the Resolution, and shall be equally secured by any moneys or securities held by the Authority or the Fiduciary for the benefit of the Bondholders.

SECTION 308. Temporary Bonds.

1. Until the definitive Bonds of any Series are prepared, the City may execute and the Authority may countersign, in the same manner as is provided in Section 303, and, upon the request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive coupon Bond except as to the denominations thereof or as to exchangeability for registered Bonds, one or more temporary Bonds (which may be registerable as to principal and interest) substantially of the tenor of the definitive coupon Bonds in lieu of which such temporary Bond or Bonds are issued, but with or without coupons, ~~in denominations of \$5,000 or any multiples thereof authorized by the Authority,~~ and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds in bearer form shall be payable only upon the presentation and surrender of the coupons therefor attached thereto or upon presentation of such temporary Bonds for notation thereon of the payment of such interest. The Authority at its own expense shall prepare and countersign and the City shall execute, upon the surrender of such temporary Bonds, with all unmatured coupons, and all matured coupons for which no payment or only partial payment has been provided, attached, for exchange and the cancellation of such surrendered temporary Bonds and coupons, the Trustee shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, definitive coupon Bonds, with appropriate coupons attached, or, at the option of the Holder, definitive registered Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to the Resolution.

2. If the Authority shall authorize the issuance of temporary Bonds in more than one denomination, the Holder of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and Series and maturity of any other authorized denomination or denominations, and thereupon the City shall execute the Authority shall countersign and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 306, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other authorized denomination or denominations as shall be requested by such Holder.

3. All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

SECTION 309. Cancellation and Destruction of Bonds or Coupons. All Bonds paid or redeemed, either at or before maturity, together with all unmatured coupons, if any, appertaining thereto, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds and coupons, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. All interest coupons shall be promptly cancelled upon their payment and delivered to the Trustee. Bonds and coupons so cancelled may at any time be destroyed by the Trustee, which shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Bonds and coupons so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

SECTION 401. The Pledge Effected by the Resolution.

1. There are hereby pledged for the payment of the principal and Redemption Price of, and interest on, the Bonds, in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, ~~(i) the proceeds of sale of the Bonds, (ii) all Revenues, and (iii) all Funds established by the Resolution, including the investments, if any, thereof, provided, however, that each of the separate subaccounts in the Reserve Account shall secure only those series of Bonds designated by Supplemental Resolution to be secured by such separate subaccount and provided further that any Supplemental Revenues deposited in the Debt Service Account shall only be available and used to pay the principal of and interest on the Bonds of the Series to~~

~~which such Supplemental Revenues are pledged, the Pledged Funds. A Series of Bonds may be further secured by a credit facility, guaranty or municipal bond insurance policy.~~

~~2. Such proceeds of sale of the Bonds, the Revenues, and the other moneys and securities hereby pledged.~~ 2. The Pledged Funds shall immediately be subject to the lien of this pledge as set forth in subsection 1 hereof without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority or the City, irrespective of whether such parties have notice thereof.

SECTION 402. Establishment of Funds. The following Funds are hereby established:

- (1) Airport Facilities Construction Fund, to be held by the Special Trustee;
- (2) Airport Facilities Revenue Fund, to be held by the Special Trustee;
- (3) Airport Facilities Bond Fund, to be held by the Trustee, consisting of a Debt Service Account and a Debt Service Reserve Account, consisting of a Composite Reserve Subaccount and such additional reserve subaccounts as may be established with respect to particular Series of Bonds;
- (4) Airport Facilities Operation and Maintenance Fund, to be held by the Authority, which includes the Operation and Maintenance Reserve Account;
- (5) Airport Facilities Capital Expenditures Fund, to be held by the Authority;
- (6) Airport Facilities Renewal and Replacement Fund, to be held by the Authority;
- (7) Airport Facilities Improvement and Development Fund, to be held by the Authority; and
- (8) Airport Facilities Discretionary Fund, including the PFC Account hereby established as a separate account therein, to be held by the Authority.

SECTION 403. Construction Fund.

1. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution or any Supplemental Resolution and there may be paid into the Construction Fund, at the option of the Authority, any moneys received for or in connection with the Airport System by the

Authority from any other source, unless required to be otherwise applied as provided by the Resolution.

2. The Special Trustee shall establish within the Construction Fund a separate account for each Additional Project the costs of which are to be paid in whole or in part out of the Construction Fund.

3. During the period of construction, the proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to any Additional Project, or of contractors' performance bonds with respect thereto, pertaining to the period of construction thereof shall be paid into the appropriate separate account in the Construction Fund.

4. Amounts in each separate account established for an Additional Project shall be applied to the purpose or purposes specified in the Supplemental Resolution authorizing the Bonds issued with respect to such Additional Project, or, if no Bonds are so issued, to the purpose or purposes specified in a resolution of the Authority, a copy of which, certified by an Authorized Officer of the Authority, shall be filed with the Special Trustee.

5. Before any such application of any amounts in the Construction Fund shall be made, the Authority shall file with the Special Trustee a requisition, signed by an Authorized Officer of the Authority designated by resolution of the Authority for such purpose, showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid, and stating that the obligation to be paid was incurred and is a proper charge against the Construction Fund. Each such requisition shall be sufficient evidence to the Special Trustee:

(a) that obligations in the stated amounts have been incurred by the Authority and that each item thereof is a proper charge against the Construction Fund; and

(b) that there has not been filed with or served upon the Authority notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

6. To the extent that other moneys are not available therefor in any other Fund, amounts in the Construction Fund shall be applied to the payment of the principal of and interest on Bonds when due, unless such use would cause interest on Bonds (other than Bonds issued with the intent that interest thereon be

includable in gross income for federal income tax purposes) not to be excluded from gross income for federal income tax purposes.

7. The completion of construction of any Additional Project shall be evidenced by a certificate of the Consulting Engineers, which shall be filed promptly with the Special Trustee, stating the date of such completion and the amount, if any, required in the opinion of the signer for the payment of any remaining part of the Cost of Construction of such Additional Project, and that such Additional Project has been completed in accordance with the plans and specifications applicable thereto. Upon the filing of such certificate, the balance in the separate account in the Construction Fund established therefor in excess of the amount, if any, stated in such certificate shall be deposited in the applicable Debt Service Reserve Account within the Bond Fund, if and to the extent necessary to make the amount in such Account equal to the Debt Service Reserve Requirement. Any balance, shall be (i) transferred by the Special Trustee to the Trustee for deposit in the Debt Service Account within the Bond Fund and applied by the Trustee to the retirement of Bonds by purchase or redemption or (ii) shall be used to pay for costs of improvements to the Airport System, as the Authority shall direct.

SECTION 404. ~~[Deleted]~~.

SECTION 405. Deposit of Revenues.

1. All Revenues shall be promptly deposited by the Authority into the Revenue Fund. As soon as practicable in each month after the deposit of Revenues in the Revenue Fund but in any case no later than five (5) business days before the end of such month, the Special Trustee shall withdraw from the Revenue Fund and transfer to the Trustee or the Authority, as the case may be, for deposit in the following Funds or transfer to the entities described below in the following order of priority the amounts set forth below:

(1) To the Operation and Maintenance Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for Operation and Maintenance Expenses for the then current Fiscal Year as set forth in the then current Annual Budget;

(2) To the Bond Fund for credit to the Debt Service Account, if and to the extent required so that the balance in said Account shall equal the Accrued Aggregate Debt Service; provided that, for the purposes of computing the amount in said Account, there shall be excluded the amount, if any, set aside in said Account which was deposited therein from the proceeds of each Series of Bonds less the amount of interest accrued and unpaid and to accrue on the Bonds of

such Series (or any Refunding Bonds issued to refund such Bonds), other than with respect to Capital Appreciation Bonds, to the last day of the then current calendar month;

(3) Except as otherwise provided below, to the Bond Fund for the credit of the applicable subaccounts in the Debt Service Reserve Account, an amount, if and to the extent necessary, so that the balance in each subaccount shall equal the Debt Service Reserve Requirement with respect thereto;

(4) To the trustee, paying agent or holders of any Subordinated Indebtedness, such amount and at such times as shall be sufficient, taking into account any Subordinated Pledged Revenues, to pay the principal of and interest becoming due in the next succeeding month on any Subordinated Indebtedness, including any obligations to set aside or deposit moneys for future debt service payments, in the manner set forth in the Issuing Instrument(s) for ~~the~~ Subordinated Indebtedness;

(5) To the deposit to any debt service reserve account established by ~~an~~the Issuing Instrument(s) for Subordinated Indebtedness such amount and at such times as shall be required by the terms of the Issuing Instrument~~s~~(s);

(6) To the Operation and Maintenance Fund for credit to the Operation and Maintenance Reserve Account an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the amount which is equal to the difference between the sum on deposit in said Account at the beginning of the then Fiscal Year and one-sixth of the Operation and Maintenance Expenses for the then Fiscal Year as set forth in the then current Annual Budget;

~~(7) To the trustee, paying agent or holders of any Secondary Subordinated Indebtedness, such amount and at such times as shall be sufficient to pay the principal of and interest becoming due in the next succeeding month on any Secondary Subordinated Indebtedness, including any obligations to set aside or deposit moneys for future debt service payments, in the manner set forth in the Issuing Instrument(s) for Secondary Subordinated Indebtedness;~~

(8) To the deposit to any debt service reserve account established by the Issuing Instrument(s) for Secondary Subordinated

Indebtedness such amount and at such times as shall be required by the terms of the Issuing Instrument(s);

(9) To the Capital Expenditures Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency;

(810) To the Renewal and Replacement Fund, an amount equal to one-twelfth (or such greater fraction if the period is less than 12 months as may be appropriate) of the money appropriated for said Fund as set forth in the then current Annual Budget; provided that, no deposit shall be required to be made into said Fund whenever and as long as uncommitted moneys in said Fund are equal to \$2,000,000 or such other greater amount as provided therefor by the Authority as necessary for the purposes of said Fund; and provided further that, if any such monthly allocation to said Fund shall be less than the required amount, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency; and

(911) To the Discretionary Fund, any amount remaining after making the deposits required by clauses (1) through (810) above.

Deposits to the Bond Fund shall be increased to the extent required to pay principal, interest and redemption premiums, if any, next becoming due, and to make up any deficiencies or losses that may otherwise arise in such Fund and subaccounts.

If there are not sufficient funds in the Revenue Fund available to make the amounts on deposit in each subaccount in the Debt Service Reserve Account equal to the Debt Service Reserve Requirement for the applicable Series of Bonds, there shall be deposited in each such subaccount an amount equal to the lesser of the Debt Service Reserve Requirement for such subaccount or the total amount available to be deposited into the Debt Service Reserve Account multiplied by a fraction, the numerator of which is the Bond Obligation of all Bonds of the applicable Series then Outstanding and the denominator of which is the total aggregate amount of the Bond Obligation of all Bonds of every Series then Outstanding hereunder secured by a subaccount in the Debt Service Reserve Account.

Notwithstanding anything herein to the contrary, the Authority shall not be required to fully fund a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it provides on the date of issuance of any Series of Bonds in lieu of such funds, a Reserve Product issued by a Reserve Product Provider in an amount equal to the difference between the applicable Debt Service Reserve Requirement and the sums then on deposit in the applicable subaccount in the Debt Service Reserve Account. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held hereunder for a payment with respect to the applicable Series of Bonds which cannot be cured by funds in any other account held pursuant to this Resolution and available for such purpose, and which shall name the Trustee or a Paying Agent as the beneficiary thereof. If a disbursement is made from a Reserve Product as provided above, the Authority shall be obligated to reinstate the maximum limits of such Reserve Product immediately following such disbursement or to replace such Reserve Product by depositing into the applicable subaccount in the Debt Service Reserve Account from the first Revenues available for deposit pursuant to clause 1.(3) above after the deposits required by clauses 1.(1) and (2) above, funds in the maximum amount originally payable under such Reserve Product, plus amounts necessary to reimburse the Reserve Product Provider for previous disbursements made pursuant to such Reserve Product, or a combination of such alternatives, and for purposes of clause 1.(3), amounts necessary to satisfy such reimbursement obligation and other obligations of the Authority to such a Reserve Product Provider shall be deemed required deposits into the applicable subaccount in the Debt Service Reserve Account, but shall be used by the Authority to satisfy its obligations to the Reserve Product Provider.

Also notwithstanding anything herein to the contrary, the Authority shall not be required to fund fully a subaccount in the Debt Service Reserve Account at the time of issuance of any Series of Bonds hereunder, if it elects by Supplemental Resolution adopted prior to the issuance of any Series of Bonds and subject to the limits described below, to fully fund the applicable subaccount over a period specified in such Supplemental Resolution not to exceed sixty (60) months during which it shall make substantially equal monthly installments in order that the amount on deposit in such subaccount in the Debt Service Reserve Account at the end of such period shall equal the applicable Debt Service Reserve Requirement with respect thereto. The aggregate amounts which may be permitted to be deposited in installments at any time shall not exceed 75% of the applicable Debt Service Reserve Requirement with respect to such subaccount in the Debt Service Reserve Account. If a subaccount in the Debt Service Reserve Account is to be initially funded in installments, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to make the required monthly installments specified in the Supplemental Resolution, plus an amount necessary to

make up any deficiencies caused by withdrawals or resulting from valuations of the funds on deposit therein.

2. At such time as the total amount held in the Debt Service Account and the Debt Service Reserve Account shall be sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal of, applicable sinking fund Redemption Price and interest thereon), no further deposits shall be required to be made into such Accounts and the Bonds shall no longer be deemed Outstanding pursuant to this Resolution.

SECTION 406. Bond Fund - Debt Service Account.

1. The Trustee shall pay out of the Debt Service Account to the respective Paying Agents (i) on or before each interest payment date for any of the Bonds, the amount required for the interest payable on such date; (ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (iii) on or before the day preceding any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents on and after the due dates thereof. The Trustee shall also pay out of the Debt Service Account the accrued interest included in the purchase price of Bonds purchased for retirement.

Notwithstanding anything provided in this Section 406 to the contrary, if principal, interest or premium payments on Bonds have been paid on behalf of the Authority by a bond insurer or the provider of any credit or liquidity facility or any other entity insuring, guarantying or otherwise providing for the payment of the Bonds, or any Series thereof, moneys on deposit in the Debt Service Account and allocable to such Bonds shall be paid to such bond insurer or provider of the liquidity facility or credit facility or other entity having heretofore made a corresponding payment on the Bonds.

2. Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) may and, if so directed by the Authority, shall be applied by the Trustee, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the applicable sinking fund Redemption Prices, pursuant to Article V, of such Bonds, if then redeemable by their terms. After the 60th day but on or prior to the 40th day preceding the due date of such Sinking Fund Installment, any amounts then on deposit in the Debt Service Account (exclusive of amounts, if any, set aside in said Fund which were deposited therein from the proceeds of Additional Bonds) may,

and if so directed by the Authority, shall be applied by the Trustee to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection 2 shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Trustee shall determine. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of such Fund. As soon as practicable after the 40th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 505, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment).

3. The amount, if any, deposited in the Debt Service Account from the proceeds of each Series of Bonds, including Capitalized Interest, shall be set aside in such Fund and applied to the payment of interest on the Bonds of such Series (or Refunding Bonds issued to refund such Bonds) as the same becomes due and payable.

SECTION 407. Bond Fund - Debt Service Reserve Account.

1. If, on the final business day of any month the amount in the Debt Service Account shall be less than the amount required to be in such Account pursuant to subsection 1 of Section 405, the Trustee shall apply amounts from the applicable subaccounts in the Debt Service Reserve Account to the extent necessary to make good the deficiency; provided, however, that amounts in the separate subaccounts in the Debt Service Reserve Account shall be used only for the purpose of curing deficiencies with respect to the Series of Bonds secured by such subaccount. Any proceeds received from a Reserve Product shall be applied to cure deficiencies in the Debt Service Account only with respect to the Series of Bonds for which such Reserve Product was provided.

2. Whenever the moneys on deposit in a subaccount in the Debt Service Reserve Account shall exceed the applicable Debt Service Reserve

Requirement, the Trustee, at the direction of an Authorized Officer of the Authority, shall allocate and apply the amount of such excess in the same manner as Available Revenues or Revenues, as the case may be, pursuant to Section 405.

3. Whenever the amounts in the applicable subaccounts in the Debt Service Reserve Account, together with the amount in the Debt Service Account, is sufficient to pay fully all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account shall be liquidated to the extent deemed necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on the Bonds Outstanding secured by the applicable subaccount in the Debt Service Reserve Account.

4. Notwithstanding the foregoing, if one or more subaccounts in the Debt Service Reserve Account have been funded with cash or Investment Securities and no event of default shall have occurred and be continuing hereunder, the Authority may, at any time in its discretion, substitute a Reserve Product meeting the requirements of this Resolution for the cash and Investment Securities in any such subaccount, and the Authority may then withdraw such cash and Investment Securities from such account and deposit them to the credit of the ~~Revenue Fund so long as (i) the same does not adversely affect any rating by a Rating Agency then in effect for the applicable Series of Outstanding Bonds and (ii) Discretionary Fund or such other fund or account as shall be designated by the Authority so long as~~ the Authority obtains an opinion of Bond Counsel that such actions will not, in and of themselves, adversely affect the exclusion from gross income of interest on the applicable Series of Bonds (if other than Taxable Bonds) for federal income tax purposes.

Cash on deposit in the applicable subaccount in the Debt Service Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Product. If and to the extent that more than one Reserve Product is deposited in the applicable subaccount in the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

SECTION 408. Operation and Maintenance Fund.

1. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses.

2. Amounts in the Operation and Maintenance Fund which the Authority at any time determines to be in excess of the requirements of such Fund shall be paid over by the Authority to the Special Trustee for deposit into the Revenue Fund and applied in accordance with Section 405.

3. There is hereby established in the Operation and Maintenance Fund a separate account to be known as the Operation and Maintenance Reserve Account. Moneys to the credit of said Account shall be paid out from time to time by the Authority for reasonable and necessary Operation and Maintenance Expenses to the extent that sufficient funds are not available within the Operation and Maintenance Fund for such purposes.

4. If at any time amounts on deposit in the Operation and Maintenance Reserve Account are in excess of 1/6 of the Operation and Maintenance Expenses with respect to the Airport System as set forth in the then current Annual Budget, the Authority shall pay such excess to the Special Trustee for application in accordance with Section 405.

SECTION 409. Capital Expenditures Fund.

1. Moneys in the Capital Expenditures Fund may be applied to purchase items of equipment and other capital items for use in connection with the Airport System.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Discretionary Fund, the Improvement and Development Fund and the Renewal and Replacement Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Capital Expenditures Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Discretionary Fund, the Improvement and Development Fund and the Renewal and Replacement Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Capital Expenditures Fund to the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

SECTION 410. Renewal and Replacement Fund.

1. Moneys in the Renewal and Replacement Fund may be applied to pay costs of unanticipated or emergency replacements and repairs to the Airport System.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account, the Discretionary Fund and the Improvement and Development Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Trustee shall transfer from the Renewal and Replacement Fund to the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account), the Discretionary Fund, and the Improvement and Development Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Trustee shall transfer from the Renewal and Replacement Fund to the Authority for deposit in the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

SECTION 411. Discretionary Fund.

1. If at any time the moneys in the Debt Service Account and the Debt Service Reserve Account shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Discretionary Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

2. To the extent not required to meet a deficiency as required in subsection 1 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Discretionary Fund to the Operation and Maintenance Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

~~3.~~ To the extent not required to meet a deficiency as required by subsections 1 and 2 of this Section, if at any time the amounts deposited pursuant to Sections 405(4), (5), (7) and (8) shall be insufficient for the purposes provided in such Sections, the Authority shall transfer from the Discretionary Fund the

amounts necessary to make up such insufficiency for the purposes and in the order provided in such Sections.

4. Amounts in the Discretionary Fund not required to meet a deficiency as required in subsections 1, 2 and 23 of this Section may, at the discretion of the Authority ~~and, with respect to amounts in the PFC Account, subject to subsection 6 below,~~ be applied to any one or more of the following purposes:

(a) the purchase or redemption of any Bonds, and expenses in connection with the purchase or redemption of any such Bonds;

(b) ~~payments of principal, interest on any Subordinated Indebtedness, or Secondary Subordinated Indebtedness and expenses in connection with the purchase or redemption of any such Subordinated Indebtedness or Secondary Subordinated Indebtedness;~~ the purchase or redemption price of

(c) payments into any separate account or accounts established in the Construction Fund for application in a manner consistent with the purposes of such account;

(d) improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport System or the provision of one or more reserves therefor; and

(e) any other ~~corporate~~ lawful purpose of the Authority ~~in connection with the Airport System;~~

provided that, subject to the provisions of subsection 1, 2 and 23 of this Section, amounts deposited in the Discretionary Fund and required by the Resolution to be applied to the purchase or redemption of Bonds shall be applied to such purpose in such manner as the Authority shall determine.

~~4. Subject to the provisions of this Section and the terms of any pledge securing Subordinated Indebtedness pursuant to Section 414, amounts in the Discretionary Fund shall be applied to the purposes specified in subsection 3.~~

5. Whenever any moneys in the Discretionary Fund or the Improvement and Development Fund are to be applied to the purchase or redemption of Bonds, the Authority shall deposit such moneys with the Trustee, in a separate account established for such purpose, and shall give written instructions to the Trustee to make such purchase or redemption in accordance with the provisions of the Resolution. Upon any such purchase or redemption of Bonds of

any Series and maturity for which Sinking Fund Installments shall have been established, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part ~~(an integral multiple of \$5000)~~ or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

6. Amounts in the PFC Account in the Discretionary Fund not required to meet ~~a deficiency~~ the deficiencies as required by subsections 1, 2 and 23 of this Section may be withdrawn by the Authority at any time and shall be applied by the Authority, in its discretion, for permitted purposes, in accordance with the applicable approvals and authorizations of the FAA and applicable FAA Regulations.

SECTION 412. Improvement and Development Fund.

1. Moneys in the Improvement and Development Fund may be applied to costs of the Airport Improvement and Development Plan for the then current Fiscal Year or to the purchase or Redemption of Bonds, including any expenses in connection with such purchase or redemption. Whenever moneys in the Improvement and Development Fund are applied to the purchase or redemption of Bonds, the provisions of paragraph 5 of Section 411 shall equally apply.

2. If at any time the moneys in the Debt Service Account, the Debt Service Reserve Account and the Discretionary Fund shall be insufficient to pay the interest and Principal Installments when due on the Bonds, the Authority, upon requisition of the Trustee, shall transfer from the Improvement and Development Fund to the Trustee for deposit in the Debt Service Account the amount necessary (or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

3. To the extent not required to meet a deficiency as required in subsection 2 of this Section, if at any time the moneys in the Operation and Maintenance Fund (including the Operation and Maintenance Reserve Account) and the Discretionary Fund shall be insufficient to pay Operation and Maintenance Expenses when due, the Authority shall transfer from the Improvement and Development Fund to the Operation and Maintenance Fund the amount necessary

(or all the moneys in said Fund if less than the amount necessary) to make up such deficiency.

4. At such time as all amounts on deposit in the Improvement and Development Fund have been spent or transferred to other Funds, the Improvement and Development Fund shall be closed and no longer used in connection with this Resolution.

SECTION 413. ~~[Deleted]~~.

SECTION 414. Subordinated Indebtedness and Secondary Subordinated Indebtedness. The Authority may, at any time, or from time to time, issue Subordinated Indebtedness ~~or Secondary Subordinated Indebtedness~~, pursuant to one or more Issuing Instruments. Such Subordinated Indebtedness or Secondary Subordinated Indebtedness shall be payable out of, and may be secured pursuant to ~~the such~~ Issuing Instrument(s) by a pledge of the moneys deposited pursuant to Sections 405 ~~1.(4) and (5)~~ hereof, any Subordinated Pledged Revenues and such amounts in the Discretionary Fund as may from time to time be available for the purpose of payment thereof as provided in Section 411 hereof; provided, however, that (i) such Subordinated Indebtedness ~~shall be incurred only for any one or more of the purposes set forth in subsection 3 of Section 411 and the proceeds of such Secondary Subordinated Indebtedness shall only be applied for such be incurred, and the proceeds thereof utilized for, any lawful purpose or purposes, and of the Authority,~~ (ii) such pledge provided for Subordinated Indebtedness ~~or Secondary Subordinated Indebtedness in the Issuing Instrument(s)~~ shall be, and shall be expressed to be, subordinated in all respects to the pledge created by this Resolution ~~in favor of the Bonds, and (iii) such pledge provided for Secondary Subordinated Indebtedness in the Issuing Instrument(s) relating thereto shall be, and shall be expressed to be, subordinate in all respects (other than any pledge of Subordinated Pledged Revenues made solely to the holders of Secondary Subordinated Indebtedness) to the pledge created for the Subordinated Indebtedness.~~

SECTION 415. ~~Application of Supplemental~~ ~~[Deleted]~~.

SECTION 416. Released Revenues. ~~Each month, all Supplemental~~ The Authority may cause a category of income, receipts or other revenues ~~included in the definition of "Revenues, up" in Section 101 to the Accrued Aggregate Debt Service with respect to the Series of Bonds secured by be excluded from such Supplemental Revenues, shall be deposited to the Bond Fund definition for the credit of the Debt Service Account and, anything provided herein to the contrary notwithstanding, all purposes of this Resolution, which exclusion shall be used solely to pay debt service on effective from the date the Authority satisfies the conditions of this Section 416, by filing the following with the Trustee:~~

1. a written request from an Authorized Officer of the Series of Bonds secured by Authority to release such Supplemental category of income, receipts and other revenues from the definition of Revenues contained in Section 101, accompanied by a written certificate of an Authorized Officer of the Authority certifying the Authority is not in default pursuant to Section 801(i) hereof; and

2. a certificate of an Authorized Officer of the Authority or Airport Consultant to the effect that Net Revenues, Supplemental and any Subordinated Pledged Revenues deposited in the Debt Service Account shall be used to pay debt service on the Series of Bonds secured thereby prior to the use of any, excluding the category of Revenues, proposed to become Released Revenues, for each of the two Fiscal Years for which audited financial statements are available immediately preceding the date of such certificate or report, were sufficient to satisfy the rate covenant set forth in Section 711 for each of such two Fiscal Years, assuming that 1.10 (instead of 1.00) was used in Section 711.1 and 1.50 (instead of 1.25) was used in Section 711.2.

ARTICLE V

REDEMPTION OF BONDS

SECTION 501. Privilege of Redemption and Redemption Price. Bonds subject to redemption, in whole or in part, prior to maturity pursuant to this Resolution or a Supplemental Resolution shall be redeemable, upon published notice as provided in this Article V, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article V as may be specified in this Resolution or in the Supplemental Resolution authorizing such Series.

SECTION 502. Redemption at the Election or Direction of the City. In the case of any redemption of Bonds at the election or direction of the City, the Authority shall give written notice to the Trustee of the City's election or direction so to redeem, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the City in its sole discretion, subject to any limitations with respect thereto contained in the Resolution). Such notice shall be given at least 45 days prior to the redemption date. In the event notice of redemption shall have been given as provided in Section 505 there shall be paid prior to the redemption date to the appropriate Paying Agents an amount in cash which, in addition to other moneys, if any, available therefor held by such Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The Authority shall promptly notify the Trustee in writing of all such payments by it to a Paying Agent.

SECTION 503. Redemption Otherwise Than at City's Election or Direction. Whenever by the terms of the Resolution the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the City, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article V and, to the extent applicable, Section 506.

SECTION 504. Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portion of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Bond ~~of a denomination of more to be redeemed no less than \$5,000 (or such other the authorized denomination as may be or an integral multiple thereof as~~ provided by Supplemental Resolution with respect to a Series of Bonds) ~~to be redeemed shall be in the principal amount of \$5,000 or any integral multiple thereof (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds),~~ or with respect to Capital Appreciation Bonds, the Maturity Amount of ~~\$5,000 authorized denomination~~ or an integral multiple thereof, and that in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of ~~\$5,000 denomination (or such other authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds)~~ which is obtained by dividing the principal amount or, with respect to Capital Appreciation Bonds, Maturity Amount of such Bond to be redeemed in part by ~~\$5,000 (or such other the authorized denomination as may be provided by Supplemental Resolution with respect to a Series of Bonds).~~

Upon any purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established in advance of their scheduled maturity or mandatory redemption date, an amount equal to the principal amount of such Bonds so purchased or redeemed shall be credited toward a part (an integral multiple of ~~\$5,000, or such other~~ authorized denomination as ~~may be~~ provided by Supplemental Resolution with respect to a Series of Bonds) or all of any one or more Sinking Fund Installments thereafter to become due, as directed by the Authority in a certificate in writing signed by an Authorized Officer of the Authority and filed with the Trustee, or in the absence of such direction, toward such Sinking Fund Installments in inverse order of their due dates. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

SECTION 505. Notice of Redemption—~~When the Trustee shall receive notice from the Authority of the City's election or direction to redeem Bonds pursuant to Section 502, and when redemption of Bonds is authorized or required pursuant to Section 503, the Trustee shall give notice of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall specify the respective portions of the principal amount, or with respect to Capital Appreciation Bonds, the portion of the Maturity Amount, thereof to be redeemed, and with respect to Capital Appreciation Bonds, the applicable Accreted Value of the Bonds to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only together with interest accrued to the redemption date with respect to Bonds other than Capital Appreciation Bonds, and the Accreted Value of Capital Appreciation Bonds, and that from and after such date interest thereon shall cease to accrue and be payable and the value of Capital Appreciation Bonds shall cease to accrue. Such notice shall be given by publication once a week for at least three successive weeks in Authorized Newspapers, the first such publication to be not less than 30 days nor more the 60 days prior to the redemption date. The Trustee shall also mail a copy of such notice, postage prepaid, not less than 25 days before the redemption date, to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of Bonds. The foregoing notwithstanding, with respect to Series of Bonds originally issued after June 1, 1993, if all of the Bonds of such Series to be redeemed are in fully registered form, no newspaper publication shall be required and notice~~ Notice of redemption shall be given by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty and not more than sixty days before the redemption date to all registered owners of the Bonds or portions of the Bonds to be redeemed at their last addresses as they appear on the registration books maintained in accordance with the provisions hereof. Failure to mail any such notice to a registered owner of a Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no such failure or defect occurred. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice. The foregoing notwithstanding, the Authority may provide redemption notice requirements different than those

provided in this Section 505 with respect to a Series of Bonds by Supplemental Resolution authorizing such Series of Bonds.

SECTION 506. Payment of Redeemed Bonds. Notice having been given in the manner required in Section 505, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus, with respect to Bonds other than Capital Appreciation Bonds, interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, together with, in the case of coupon Bonds, all appurtenant coupons maturing subsequent to the redemption date, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus, with respect to Bonds other than Capital Appreciation Bonds, interest accrued and unpaid to the redemption date not represented by coupons for matured interest installments. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If there shall be drawn for redemption less than all of a registered Bond, the City shall execute and the Authority shall countersign and the Trustee shall authenticate and the Paying Agent shall deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount, or in the case of Capital Appreciation Bonds, the unredeemed balance of the Maturity Amount, of the Bond so surrendered, at the option of the owner thereof, other than with respect to Capital Appreciation Bonds which shall be delivered only as registered Bonds, either coupon Bonds (if such Series of Bonds is authorized to be issued in the form of Coupon Bonds) or registered Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, including the Accreted Value of Capital Appreciation Bonds to be redeemed on such date, and together with interest to the redemption date on Bonds other than Capital Appreciation Bonds, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as required in Section 505, then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable and with respect to Capital Appreciation Bonds that bear no stated interest, principal of such Capital Appreciation Bonds or portions thereof of such Series and maturity so called for redemption shall cease to appreciate, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and the principal of Capital Appreciation Bonds that bear no stated interest shall continue to appreciate at the same rate as it would have had such Capital Appreciation Bonds not been called for redemption.

ARTICLE VI

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Depositaries. All moneys held by the Trustee or the Special Trustee under the provisions of the Resolution shall be deposited with the Trustee or the Special Trustee as the case may be, including one or more Depositaries in trust for the Trustee or the Special Trustee. All moneys held by the Authority under the Resolution shall be deposited in one or more Depositaries in the name of the Authority. Moneys to be deposited in a particular Fund or Account under the Resolution may be deposited with more than one Depositary, provided that such moneys be credited to such Fund or Account. Each Depositary shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$1,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Resolution. All moneys deposited under the provisions of the Resolution with the Trustee, Special Trustee or any Depositary shall be held in trust and applied only in accordance with the provisions of the Resolution, and each of the Funds established by the Resolution shall be a trust fund for the purposes thereof.

SECTION 602. Deposits.

1. All moneys held by any Depositary under the Resolution may be placed on demand or time deposit, if and as directed by the Authority, provided that such deposits shall permit the moneys so held to be available for use at the time when needed. The Authority shall not be liable for any loss or depreciation in value resulting from any investment made pursuant to the Resolution. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. All moneys held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Authority and acceptable to such Fiduciary, on time deposit, provided that such moneys on time deposit be available for use at the time when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

2. All moneys held under the Resolution by the Trustee, Special Trustee or any Depositary shall be continuously and fully secured for the benefit of the Authority and the Holders of the Bonds and coupons, either (a) by lodging with the Trustee or the Special Trustee, as the case may be, as custodian, as collateral security, direct obligations of or obligations guaranteed by the United States of

America having a market value (exclusive of accrued interest) not less than the amount of such moneys, or (b) in such other manner as may then be required by applicable Federal or State of Florida laws and regulations regarding security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Fiduciaries to give security under this subsection 2 for the deposit of any moneys with them held in trust and set aside by them for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee, Special Trustee or any Depositary to give security for any moneys which shall be represented by obligations purchased as an investment of such moneys.

3. All moneys deposited with the Trustee, Special Trustee and each Depositary shall be credited to the particular Fund or Account to which such moneys belong.

SECTION 603. Investment of Certain Funds. Moneys held in the Debt Service Account and the Debt Service Reserve Account shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Accounts, and in the case of the Debt Service Reserve Account not later than 15 years (unless such securities shall be redeemable at the option of the holder thereof, in which event such securities may mature at a date no later than the final maturity date of the Bonds). The Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the Authority. Moneys in the Revenue Fund and the Construction Fund may be invested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed to provide payments from such Funds. The Special Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the Authority. Moneys in the Operation and Maintenance Fund, including amounts in the Operation and Maintenance Reserve Account, may be invested by the Authority in Investment Securities which mature within 12 months and moneys in the Capital Expenditures Fund, the Renewal and Replacement Fund, the Improvement and Development Fund and the Discretionary Fund may be invested in Investment Securities which mature within 5 years, and in any case not later than such times as shall be necessary to provide moneys when needed for payments from such respective Funds.

Interest earned on any moneys or investments in any such Accounts or Funds other than the Construction Fund shall be paid into the Revenue Fund. Interest earned on any moneys or investments in a separate account in the Construction Fund shall be held in such account for the purposes thereof.

The Authority agrees that broker confirmations of investments are not required to be issued by either the Trustee or the Special Trustee for each month in which a monthly statement is rendered by the Trustee or the Special Trustee, respectively.

SECTION 604. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Account or Fund shall be deemed at all times to be a part of such Account or Fund and any profit realized from the liquidation of such investment shall be credited to such Account or Fund and any loss resulting from the liquidation of such investment shall be charged to the respective Account or Fund.

In computing the amount in any Account or Fund created under the provisions of the Resolution for any purpose provided in the Resolution, obligations purchased as an investment of moneys therein shall be valued at cost or the principal amount thereof, whichever is lower, exclusive of accrued interest, except that such investments in the Debt Service Reserve Account shall be valued at the cost or market price thereof whichever is lower, exclusive of accrued interest. The valuation of such Accounts and Funds shall be made as of March 31 and September 30 in each year.

Except as otherwise provided in the Resolution, the Trustee and the Special Trustee shall sell at the best price obtainable, or present for redemption, any obligation so purchased as an investment whenever it shall be requested in writing by an Authorized Officer of the Authority so to do whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Account or Fund held by the Trustee or Special Trustee. Neither the Trustee nor the Special Trustee shall be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

ARTICLE VII

PARTICULAR COVENANTS OF THE AUTHORITY

SECTION 701. Effect of Covenants. The Authority hereby particularly covenants and agrees with the Trustee and with the Holders of the Bonds and coupons, and makes provisions which shall be a part of the contract with such Holders, to the effect and with the purpose set forth in the following Sections of this Article VII.

SECTION 702. Payment of Principal, Premium, if any, and Interest. The Authority will promptly pay or cause to be paid, but solely from the Revenues or Available Revenues, as the case may be, and the proceeds of the Bonds pledged therefor by the Resolution the principal of, interest and premium, if any, on all Bonds issued hereunder according to the terms hereof.

SECTION 703. Extension of Payment of Bonds and Coupons. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such coupons or claims for interest shall be extended, such Bonds, coupons or claims for interest shall not be entitled in case of any default under the Resolution to the benefit of the Resolution or to any payment out of Revenues or Available Revenues, as the case may be, or out of any funds including the investments, if any, thereof, pledged under the Resolution or the moneys (except moneys held in trust for the payment of particular Bonds, coupons or claims for interest pursuant to the Resolution) held by any Fiduciary, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of the maturity of any Bonds.

SECTION 704. Offices for Servicing Bonds. The Authority hereby irrevocably appoints the Trustee as its agent to maintain an office or agency for the registration, transfer or exchange of Bonds, and for the service of notices, presentations and demands upon the Authority. The Authority hereby appoints the Paying Agents as its respective agents to maintain such offices or agencies for the payment or redemption of Bonds and coupons.

SECTION 705. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming of all and singular the rights, Revenues, or Available Revenues, as the case may be, and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

SECTION 706. Powers as to Bonds and Pledge. The Authority is duly authorized under the Act and all applicable laws to create and issue the Bonds and to adopt the Resolution and to pledge the Revenues Pledged Funds and other moneys, securities and funds purported to be pledged by the Resolution in the manner and to the extent provided in the Resolution. Except as to the issuance of Bonds hereunder, the Revenues Pledged Funds and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate or other action on the part of the

Authority and the City to that end has been duly and validly taken. The Bonds and the provisions of the Resolution are and will be in the valid and legally enforceable obligations of the City in accordance with their terms and the terms of the Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues Pledged Funds and other moneys, securities and funds pledged under the Resolution and all the rights of the Bondholders under the Resolution against all claims and demands of all persons whomsoever.

SECTION 707. Powers as to the Airport System and Collection of Rates, Fees and Rentals. The Authority has, and will have so long as any Bonds are Outstanding, good right and lawful authority to acquire, construct, develop, operate, maintain, repair, improve, reconstruct, enlarge, and extend the Airport System and to fix rates, fees, rentals and other charges in connection therewith, all as provided in the Act.

SECTION 708. Indebtedness and Liens. The Authority shall not issue any bonds or other evidences of indebtedness other than the Bonds, payable out of or secured by a pledge of the Revenues Pledged Funds or of the moneys, securities ~~or funds held or set aside~~ pledged by the Authority or by the Fiduciaries under the Resolution and shall not create or cause to be created any lien or charge on the Revenues Pledged Funds or such moneys, securities or funds; provided, however, that nothing contained in the Resolution shall prevent the Authority from issuing (i) evidences of indebtedness payable out of moneys in the Construction Fund as part of the Cost of Construction of any Additional Project, and after the date the pledge of Revenues Pledged Funds provided in the Resolution shall be discharged and satisfied as provided in Section 1201, or (ii) Subordinated Indebtedness or Secondary Subordinated Indebtedness as provided in Section 414.

SECTION 709. Sale, Lease or Encumbrance of Property.

1. Except as provided in subsection 2 or subsection 3 of this Section 709 or elsewhere in the Resolution, no part of the Airport System shall be sold, or otherwise disposed of or encumbered.

2. The Authority may sell, for fair and reasonable value, at any time and from time to time, in an arm's-length transaction, any property constituting part of the Airport System which an Authorized Officer of the Authority certifies to be obsolete, uneconomical, negligible, worn out or surplus property, or property no longer necessary, useful or profitable in the operation of the Airport System.

3. The Authority may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the

Airport System if such lease, contract, license, easement or right does not impede or restrict the operation by the Authority of the Airport System- or will be advantageous to the Airport System.

4. ~~Any proceeds~~Proceeds from the sale or disposition of property not used to replace such property and any such payments with respect to a lease, contract, license, easement or right not otherwise required to be applied in accordance with the Resolution shall be applied in the same manner and to the same purposes as Revenues, or shall be utilized for such other purpose as may be required by law or contract.

SECTION 710. Operation, Maintenance and Reconstruction.

1. The Authority shall at all times operate, or cause to be operated, the Airport System properly and in a sound, efficient and economical manner and shall maintain, preserve, and keep the same or cause the same to be maintained, preserved, and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all ordinary, necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport System may be properly and advantageously conducted, and, if any useful part of the Airport System is damaged or destroyed, the Authority shall, as expeditiously as may be possible, commence and diligently prosecute the ordinary replacement or reconstruction of such part so as to restore the same to use; provided, however, that nothing in the Resolution shall require the Authority to operate, maintain, preserve, repair, replace, renew or reconstruct any part of the Airport System from sources other than the Revenues or if there shall have been filed with the Trustee ~~(a) a certificate executed by an Authorized Officer of the Authority stating that in the opinion of the Authority abandonment of operation of such part is economically justified and is not prejudicial to the interests of the Holders of the Bonds, and (b) a consent to the filings of such certificate given by the Trustee, which consent shall be withheld only upon reasonable grounds.~~

2. To the extent deemed necessary by the Authority for the efficient or economical operation of the Airport System and permitted by law, it shall maintain, preserve, and renew all the franchises, rights, powers and privileges acquired, owned or held by it.

3. The Authority shall establish and enforce reasonable rules and regulations governing the operation, use and services of the Airport System.

SECTION 711. ~~Rates and Charges. The Authority will, at all times while any Bonds shall be Outstanding, establish, fix, prescribe and collect rates, fees, rentals and other charges for the use of the Airport System as shall be~~

~~required in order that in each Fiscal Year the Net Revenues less the amounts, if any, required to be deposited from Revenues into the Operation and Maintenance Reserve Account, the Capital Expenditures Fund and the Renewal and Replacement Fund, plus Supplemental Revenues in an amount not to exceed 1.25 times the Aggregate Debt Service on each Series of Bonds secured by such Supplemental Revenues for such Fiscal Year, shall equal at least 1.25 times the sum of the Aggregate Debt Service of the Outstanding Bonds for such Fiscal Year, and in any event, as shall be required to pay or discharge all indebtedness, charges and liens whatsoever payable out of Revenues under the Resolution.~~ Rate Covenant.

1. The Authority shall, while any of the Bonds remain Outstanding, establish, fix, charge, prescribe and collect rates, fees, rentals and charges in connection with the ownership and operation of the Airport System and for services rendered in connection therewith, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate, so that Net Revenues plus any Transfers and Subordinated Pledged Revenues in each Fiscal Year will be at least equal to 100% of the aggregate amount required to be applied and/or deposited by the Authority pursuant to Section 405 (2) - (10) during such Fiscal Year.

2. The Authority further agrees that it will establish, fix, charge, prescribe and collect rates, fees, rentals and charges in connection with the ownership and operation of the Airport System and for services rendered in connection therewith and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate, so that for each Fiscal Year the Net Revenues plus any Transfers for such Fiscal Year will be equal to at least 1.25 times the Aggregate Debt Service on all Outstanding Bonds for such Fiscal Year.

3. The Authority covenants that if Net Revenues plus any Transfer and any Subordinated Pledged Revenues in any Fiscal Year are less than the amounts specified in subsections 1. and 2. of this Section 711, the Authority will retain and direct an Airport Consultant to make recommendations as to the revision of the Authority's schedule of rates, fees, rentals and charges for the use of the Airport System. After receiving such recommendations, the Authority will take such action as it deems appropriate to become compliant with the provisions of Section 711 hereof in the next Fiscal Year.

For purposes of this Section 711, the term "Transfer" means the lesser of (a) the sum of (i) amounts on deposit in the Discretionary Fund on the last day of the Fiscal Year, to the extent such amounts are not restricted to other uses, plus (ii) amounts paid from the Discretionary Fund during such Fiscal Year toward Operating and Maintenance Expenses and Debt Service, minus (iii) amounts deposited into the Discretionary Fund in such Fiscal Year, or (b) twenty five percent (25%) of Debt Service payable in such Fiscal Year.

SECTION 712. Insurance.

1. So long as any Bonds are Outstanding, the Authority shall at all times carry insurance with a responsible insurance company or companies authorized and qualified under the laws of any state of the United States of America to assume the risk thereof, covering such properties of the Airport System as are customarily insured, and against loss or damage from such causes as are customarily insured against, by public or private corporations engaged in a similar type of business, all in accordance with the annual written recommendations of the ~~Airport~~Insurance Consultant.

2. Any proceeds of insurance for the Airport System shall, except as provided in subsection 3 of Section 403, to the extent necessary and desirable, be applied to the repair and replacement of any damaged or destroyed properties of the Airport System. If any of said proceeds received are not used to repair or replace property, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

3. Notwithstanding the provisions of this Section 712, the Authority shall be entitled to provide the coverage required by this Section 712 through Qualified Self Insurance, provided that the requirements hereinafter set forth in this Section 712 are satisfied. "Qualified Self Insurance" means insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Authority has a material interest or of which the Authority has control, either singly or with others.

Prior to participation in any plan of Qualified Self Insurance not currently in effect, the Authority shall comply with the following requirements:

(a) the Qualified Self Insurance program shall be approved by the Insurance Consultant;

(b) the Qualified Self Insurance program shall include a claims reserve fund out of which each self-insured claim shall be paid; the adequacy of such fund shall be evaluated on an annual basis by the Insurance Consultant, and any deficiencies in the fund shall be remedied in accordance with the recommendations of the Insurance Consultant;

(c) the Qualified Self Insurance program claims reserve fund shall be held in a bank account credited for the purpose of maintaining such self insurance funds, which bank account may be under the control of the Authority and may be commingled with other Authority moneys; and

(d) in the event the Qualified Self Insurance program shall be discontinued, the actuarial soundness of its claims reserve fund shall be maintained.

For purposes of this Section 712, "Insurance Consultant" means a person, firm of persons or company of favorable repute for skill and experience in dealing with the insurance requirements of enterprises similar to the Airport System and in performing the duties to be imposed upon it by the Resolution.

SECTION 713. Condemnation. The Authority covenants that in the event the Airport System or any part thereof is taken by the exercise of eminent domain, any proceeds received in connection with such exercise of eminent domain shall, to the extent necessary and desirable, be applied to the replacement of the Airport System or such part thereof. If any of said proceeds are not applied to such replacement, such proceeds shall be paid into the Debt Service Account in the Bond Fund.

SECTION 714. Airport Consultant. The Authority shall employ an Airport Consultant from time to time whenever and for the purposes contemplated by this Resolution. Such Airport Consultant shall be an airport consultant or airport consultant firm or corporation having a wide and favorable reputation for skill and experience with respect to the operation and maintenance of airports, in recommending rental and other charges for use of airport facilities and in projecting revenues to be derived from the operation of airports.

SECTION 715. Consulting Engineers. The Authority shall employ Consulting Engineers from time to time whenever and for the purposes contemplated or required by this Resolution. Such Consulting Engineers shall be engineer or engineering firms having a wide and favorable reputation for skill and experience in the construction and operation of airport facilities.

SECTION 716. Annual Budget.

1. Not less than five (5) days prior to the beginning of each Fiscal Year the Authority shall prepare and file with the Trustee an Annual Budget for the ensuing Fiscal Year. Such Annual Budget shall set forth in reasonable detail: the estimated Revenues and Operation and Maintenance Expenses for the Airport System for such Fiscal Year; the estimated amounts to be deposited during such Fiscal Year in each of the Funds and Accounts established under the Resolution and the estimated expenditures for the replacement of capital assets or any unusual or extraordinary maintenance or repairs, for the building and constructing of permanent improvements, alterations, buildings and other structures, including runways, taxi strips and aprons of the Airport System. The Authority may at any time adopt an amended Annual Budget for the remainder of the then current Fiscal

Year. Copies of the Annual Budget and of any amended Annual Budget shall be promptly filed with the Trustee for inspection by Bondholders.

2. If for any reason the Authority shall not have adopted the Annual Budget for a Fiscal Year before the first day of such Fiscal Year, the Annual Budget for the preceding year shall be deemed to have been adopted and be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted and a copy thereof filed with the Trustee.

SECTION 717. Accounts and Reports.

1. The Authority shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Revenues, each Fund and Account established under the Resolution and which shall at all times be subject to the inspection of the Trustee, and the Holders of an aggregate of not less than 5% of the Bond Obligation then Outstanding or their representatives duly authorized in writing.

2. The Trustee and the Special Trustee shall advise the Authority promptly after the end of each month of the respective transactions during such month relating to each Fund and Account held by the Trustee and the Special Trustee under the Resolution and the Revenues ~~and Available Revenues, as the case may be.~~ or Available Revenues, as the case may be. The Authority shall have the right upon reasonable notice and during reasonable business hours to examine the books and records of the Trustee and the Special Trustee with respect to the Funds and Accounts held by the Trustee or the Special Trustee under the Resolution and with respect to the Revenues or Available Revenues, as the case may be.

3. The Authority shall annually, within ~~120~~180 days after the close of each Fiscal Year, cause an audit to be made of its books and accounts relating to said Airport System for such Fiscal Year by an independent and recognized certified public accountant not in the regular employ of the Authority. Promptly thereafter reports of each such audit shall be filed with the Trustee. Each such audit Report shall set forth with respect to such Fiscal Year:

(a) A summary with respect to each Fund and Account established under the Resolution, of the receipts therein and disbursements therefrom;

(b) the details of all Bonds issued, paid, purchased or redeemed;

(c) the amounts on deposit at the end of such Fiscal Year to the credit of each Fund and Account established under the Resolution,

showing the respective amounts on deposit to the credit thereof in each Depositary under the Resolution, as the case may be, and any security held therefor, and showing the details of any investment thereof;

(d) the amounts of the proceeds received from any sales of property consisting part of the Airport System; and

(e) a list of all insurance policies with respect to the Airport System or certificates thereof then held by the City, the Authority, or the Trustee.

4. The Authority shall file with the Trustee (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an Authorized Officer of the Authority and specifying such Event of Default or default and (b) within ~~120~~180 days after the end of each Fiscal Year, a certificate signed by an appropriate Authorized Officer of the Authority stating that, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Resolution and there does not exist at the date of such certificate any default by the Authority under the Resolution or any Event of Default or other event which, with the lapse of time specified in Section 801 would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

5. The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Resolution shall be available for the inspection of Bondholders at the office of the Trustee and shall be mailed to each Bondholder who shall file a written request therefor with the Authority. The Authority may charge each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

SECTION 718. ~~[Deleted]~~.

SECTION 719. ~~[Deleted]~~.

SECTION 720. ~~[Deleted]~~.

SECTION 721. Covenants With Respect to Airports and Aviation Facilities. Nothing herein contained shall prohibit the Authority from acquiring or constructing an airport or an aviation facility and financing the same from moneys other than the proceeds of Bonds or Revenues generated by the Airport System. The Authority hereby covenants that it will not acquire or construct any such airport or aviation facility as aforesaid unless a certificate is received from the

Airport Consultant and filed with the Trustee to the effect that such airport or aviation facility will not adversely affect Revenues or Available Revenues to be derived by the Authority or the rights, security and remedies of Bondholders under the Resolution.

SECTION 722. Special Purpose Facilities. The Authority ~~shall be~~ may designate new or existing facilities as "Special Purpose Facilities" as permitted in this Section 722 pursuant to a Supplemental Resolution and is authorized to finance such Special Purpose Facilities from the proceeds of ~~obligations~~ Special Purpose Facility Debt issued by the Authority secured by Special Purpose Facility Revenues and without regard to any requirements of this Resolution with respect to the issuance of Additional Bonds, provided that there shall be filed with the Trustee prior to the issuance of such Special Purpose Facility Debt a certificate of an Authorized Officer of the Authority, stating that:

1. ~~Such obligations are payable solely from rentals or other charges derived by the Authority under a lease, sale or other agreement entered into between the Authority and the person, firm or corporation which will be utilizing the~~ the estimated amount of Special Purpose Facilities to be financed.

2. ~~There shall be filed with the Trustee prior to the issuance of such obligations a certificate of the Airport Consultant, certifying that the estimated rentals, payments or other charges to be derived by the Authority from the lease, sale or other agreement~~ Facility Revenues with respect to the Special Purpose Facilities to be financed will be at least sufficient to pay the principal of and interest on such ~~obligations, all costs of operating and maintaining such~~ Special Purpose ~~Facilities~~ Facility Debt and all sinking fund, reserve or other payments required by the ~~resolution or indenture~~ Supplemental Resolution authorizing and securing such obligations, Special Purpose Facility Debt;

3. ~~There shall be filed with 2. in the Trustee prior to the issuance~~ case of such obligations a certificate Special Purpose Facility Debt secured solely from sources described in subsection (i) of the definition of Special Purpose Facility Revenues, the Airport Consultant, certifying shall certify that the construction and operation of the Special Purpose Facilities to be financed will not decrease the Revenues to be derived from the Airport System;

3. in the case of Special Purpose Facility Debt secured from any of the sources described in subsection (ii) of the definition of Special Purpose Facility Revenues, the Airport Consultant shall certify that the Authority will be in compliance with the rate covenant described in Section 711 hereof for each of the next three full Fiscal Years following issuance of the Special Purpose Facility Debt;

4. ~~In addition to no~~ Event of Default then exists under Article VIII of this Resolution; and

5. the Authority is in compliance with any and all ~~rentals, payments~~ requirements set forth in any Supplemental Resolution related to such Special Purpose Facility Debt or other charges with respect to any outstanding Special Purpose Facility Debt which will be secured on a parity with such additional Special Purpose Facility Debt.

The Supplemental Resolution authorizing the issuance of Special Purpose Facility Debt shall specify whether (i) the Special Purpose Facilities to be (or any portion thereof) financed, a fair and reasonable rental for the land upon which said with such Special Purpose Facilities are to be constructed Facility Debt shall be charged by the Authority, and said ground rent shall be deemed Revenues derived from part of the Airport System, and (ii) the Special Purpose Facility Revenues (or any portion thereof) shall constitute Revenues.

SECTION 723. Fulfillment of Conditions Precedent. Upon the date of issuance of any of the Bonds, all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Act or the Resolution to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed and such Bonds, together with all other indebtedness of the City, shall be within every applicable debt and other limit prescribed by said Constitution or statutes.

SECTION 724. Payment of Lawful Charges. The Authority shall pay from the Revenues all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Airport System, or upon any part thereof or upon any revenue therefrom, when the same shall become due, and shall duly observe and comply with all legal requirements of any municipal or governmental authority applicable to any part of the Additional Project, and shall not create or suffer to be created any lien or charge upon the Airport System or any part thereof or upon the Revenues therefrom, except the pledge and lien created by the Resolution for the payment of the principal and Redemption Price of and interest on the Bonds, and except as otherwise provided herein. The Authority shall pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within ninety (90) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects; provided, however, that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge, so long as the validity thereof shall be contested in good faith and by appropriate administrative and legal proceedings.

SECTION 725. Compliance with Law. The Authority shall observe and perform all of the terms and conditions contained in the Act and shall comply with all valid acts, rules, regulations, orders and directions applicable to the Airport System or the Authority, of any legislative, executive administrative or judicial body having lawful jurisdiction thereover.

SECTION 726. Covenants With Respect to PFCs. The Authority hereby covenants and agrees to file such applications, submit such reports and take any and all such other actions that may be necessary or desirable to preserve its rights to impose and collect PFCs from which Available PFC Revenues are derived, to enforce with reasonable diligence its right to receive PFC Revenues from which Available PFC Revenues are derived and to use the proceeds of such Available PFC Revenues and amounts required to be deposited in the PFC Account in the manner provided herein. Without limiting the generality of the foregoing, the Authority hereby covenants and agrees as follows:

(a) To apply PFC Revenues only to finance allowable costs of approved projects in accordance with the FAA Regulations and applicable FAA authorizations and approvals (including Accrued Aggregate Debt Service with respect to that portion of the Bonds issued to finance PFC Projects);

(b) To comply with the applicable requirements of Section 9304(e) and 9307 of the Airport Noise and Capacity Act of 1990 (Pub. L. 101-508, Title IX, Subtitle D);

(c) To notify the air carriers and foreign air carriers required to collect PFCs with respect to the Airport System of the FAA's approval of the imposition of such PFCs in accordance with the requirements of the FAA Regulations and to take all actions reasonably necessary to insure the proper collection and remittance of the PFC Revenues from which Available PFC Revenues are derived by the air carriers; and

(d) To comply with all reporting, recordkeeping, and auditing requirements contained in the FAA Regulations.

SECTION 727. Available Revenues.

1. At any time and from time to time, the Authority, without the consent of the Trustee or the Holder of any Bond and without the consent of any Credit Provider, may adopt a Supplemental Resolution that (a) specifies the amount of Passenger Facilities Charges that shall constitute Available PFC Revenues, the amount of Customer Facility Charges that shall constitute Available CFC Revenues or the amount of such other income or revenue source that shall constitute

Available Revenues during each Fiscal Year as specified in such Supplemental Resolution or (b) specifies Bonds that shall be secured by Available Revenues. More than one Series of Bonds may be secured by Available Revenues, and no consent from any Holder of any Bond or from any Credit Provider, shall be required as a condition to the issuance or incurring of any subsequently-issued Bonds that are secured by any Available Revenues. Notwithstanding any other provision of this Resolution, the Authority may amend (including reduce) the amount of Available Revenues, specified pursuant to clause (a) above with respect to any Fiscal Year without the consent of the Trustee or any Holder of any Bond or any Credit Provider; provided the Authority shall be in compliance with the provisions of the Supplemental Resolution that specifies the Available Revenues that secure Bonds issued hereunder.

2. The Accounts set forth in clauses (a) and (b) below are hereby established with and to be held by the Authority.

(a) Available PFC Account; and

(b) Available CFC Account.

3. The Authority shall, promptly upon receipt, deposit, or cause to be deposited, all Available PFC Revenues in the Available PFC Account and all Available CFC Revenues in the Available CFC Account. Unless otherwise provided in the Supplemental Resolution which specifies Available Revenues pledged for one or more Series of Bonds, simultaneously with the Authority's withdrawal of amounts from the Revenue Fund for deposit into the funds and accounts as set forth in Section 405 hereof, the Authority shall withdraw amounts on deposit in the Available PFC Account, the Available CFC Account or such other account as has been established for a different source of Available Revenues, as applicable, and shall transfer the amounts so withdrawn to the Bond Fund for the applicable Series of Bonds, in such amounts as are specified or provided for in the corresponding Supplemental Resolution specifying Available Revenues for such Series of Bonds.

4. Notwithstanding any other provision of this Resolution, (a) the Available PFC Account and the Available PFC Revenues shall secure on a pari passu basis all Bonds, whenever issued, that are specified in the applicable Supplemental Resolution to be secured by the Available PFC Account and the Available PFC Revenues; and (b) Available PFC Revenues held in the Available PFC Account shall be applied by the Authority as follows:

The Available PFC Revenues, including any investment earnings thereon, on deposit in the Available PFC Account shall be applied to the payment of such Bonds secured thereby and such amount shall be accounted for as a credit

against the amounts required to be deposited in the Bond Fund for such purpose pursuant to Section 405.

Any Available PFC Revenues, including investment earnings thereon, in excess of amounts required to pay Bonds secured thereby may be used for fund eligible PFC Project costs or as otherwise permitted by federal statute or the FAA Regulations.

5. Notwithstanding any other provision of this Resolution, (a) the Available CFC Account and the Available CFC Revenues shall secure on a pari passu basis all Bonds, whenever issued, that are specified in the Supplemental Resolution to be secured by the Available CFC Account and the Available CFC Revenues; and (b) Available CFC Revenues held in the Available CFC Account shall be applied by the Authority as follows:

The Available CFC Revenues, including any investment earnings thereon, on deposit in the Available CFC Account shall be applied to the payment of such Bonds secured thereby and such amount shall be accounted for as a credit against the amounts required to be deposited in the Bond Fund for such purpose pursuant to Section 405.

Any Available CFC Revenues, including investment earnings thereon, in excess of amounts required to pay Bonds secured thereby may be used for any lawful purpose.

SECTION 728. Federal Income Taxation Covenants: Taxable Bonds. The Authority covenants with the Holders of each Series of Tax-Exempt Bonds that it shall not use the proceeds of such Series of Tax-Exempt Bonds in any manner which would cause the interest on such Series of Tax-Exempt Bonds to be or become included in gross income for purposes of federal income taxation.

The Authority covenants with the Holders of each Series of Tax-Exempt Bonds that neither the Authority nor any person or entity under its control or direction will make any use of the proceeds of such Series of Tax-Exempt Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Authority nor any other person or entity under its control shall do any act or fail to do any act which would cause the interest on such Series of Tax-Exempt Bonds to become subject to inclusion within gross income for purposes of federal income taxation.

The Authority hereby covenants with the Holders of each Series of Tax-Exempt Bonds that it will comply with all provisions of the Code necessary to maintain the exclusion from gross income of interest on the Tax-Exempt Bonds for purposes of federal income taxation, including, in particular, the payment of any

amount required to be rebated to the U.S. Treasury pursuant to the Code. The Authority shall establish a rebate fund pursuant to Supplemental Resolution for each Series of Tax-Exempt Bonds which shall be subject to payment of rebatable arbitrage.

The Authority may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includable in the gross income of the Holder thereof for federal income taxation purposes, provided that the issuance thereof will not cause interest on any other Tax-Exempt Bonds theretofore issued hereunder to be or become subject to federal income taxation. The covenants set forth in this Section 728 shall not apply to any Taxable Bonds.

For purposes of this Section 728, (1) the term "Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder in effect or proposed, (2) the term "Tax-Exempt Bonds" means Bonds the interest on which is excludable from the gross income of the Holders thereof for federal income taxation purposes, and (3) the term "Taxable Bonds" means those Bonds that the interest income thereon is includable in gross income of the Holders thereof for federal income taxation purposes.

ARTICLE VIII

REMEDIES OF BONDHOLDERS

SECTION 801. Events of Default. The following events shall be "Events of Default" under the Resolution:

(i) default shall be made in the due and punctual payment of the principal of or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, or in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor when and as such interest installment or Sinking Fund Installment shall become due and payable;

(ii) default shall be made by the Authority in the performance or observance of the covenants, agreements and conditions on its part as provided in Section 711; provided, however, that a failure to comply with the covenants in Section 711 shall not constitute an event of default unless the Authority shall fail in the succeeding Fiscal Year to comply with the covenants in Section 711 or to restore any deficiencies which occurred in any Funds in the preceding Fiscal Year;

(iii) default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part contained in the Resolution or in the Bonds and such default shall continue for a period of sixty (60) days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than twenty-five percent (25%) of the Bond Obligation;

(iv) the Authority or the City shall file a petition seeking a composition of indebtedness under the Federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State of Florida;

(v) judgment for the payment of money shall be rendered against the Authority or the City as the result of the construction, improvement, ownership, control or operation of the Airport System, and any such judgment shall not be discharged within twenty-four (24) months after the entry thereof, or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof; and

(vi) an order or decree shall be entered, with the consent or acquiescence of the Authority or the City, appointing a receiver or receivers of the Airport or any part thereof, or other revenues therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority or the City, shall not be vacated or discharged, stayed or appealed within ninety (90) days after the entry thereof.

SECTION 802. Accounting and Examination of Records After Default.

1. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records relating to the Airport shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys, including any engineer or firm of engineers appointed to act on behalf of the Trustee.

2. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues

and other moneys, securities and Funds pledged or held under the Resolution for such period as shall be stated in such demand.

SECTION 803. Application of Revenues and Other Moneys After Default.

1. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and Funds then held by the Authority or Special Trustee in any Fund or account under the Resolution, and (ii) all Revenues as promptly as practicable after receipt thereof.

2. During the continuance of an Event of Default, the Trustee shall apply such moneys, securities, Funds and Revenues and the income therefrom as follows and in the following order:

(a) to the payment of Operation and Maintenance Expenses including, without limitation, the payment of the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel;

(b) to the payment of the interest and principal or Redemption Price then due on the Bonds, subject to the provisions of Section 703, as follows:

(i) unless the principal of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto of all installments of interest on Bonds other than Capital Appreciation Bonds then due in order of the maturity of such installments, together with accrued and unpaid interest on the Bonds other than the Capital Appreciation Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price of any Bonds which shall have become

due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal, or with respect to Capital Appreciation Bonds the unpaid Maturity Amount, or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(ii) if the principal (or, with respect to Capital Appreciation Bonds, the Maturity Amount) of all of the Bonds shall have become due and payable, to the payment of the principal and interest (or, with respect to Capital Appreciation Bonds, Maturity Amount) then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, (or, with respect to Capital Appreciation Bonds, Maturity Amount) to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and coupons.

3. If and whenever all overdue installments of interest on all Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Resolution, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Resolution or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities, and Funds then remaining unexpended in the hands of the Trustee (except moneys, securities, and Funds deposited or pledged, or required by the terms of the Resolution to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under the Resolution. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under the Resolution or impair any right consequent thereon.

SECTION 804. Proceedings Brought By Trustee.

1. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than twenty-five (25%) of the Bond Obligation shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under this Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

2. All rights of action under the Resolution may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

3. The Holders of not less than a majority of the Bond Obligation may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

4. Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under the Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

5. Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of a majority of the Bond Obligation, and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Resolution by any acts which may be unlawful or in violation of the Resolution, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

6. When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of a default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

SECTION 805. Restriction on Bondholder's Action.

1. No Holder of any Bond or coupon shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least twenty-five percent (25%) of the Bond Obligation shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Resolution or by the Act or by the laws of Florida or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of thirty (30) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds or coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Resolution, or to enforce any right under the Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Resolution shall be instituted, had and maintained in the manner provided in the Resolution and for the equal benefit of all Holders of the Outstanding Bonds and coupons.

2. Nothing in this Resolution or in the Bonds or in the coupons contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay, from the sources herein specified, at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

SECTION 806. Remedies Not Exclusive. No remedy by the terms of the Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or existing at law or in equity or by statute on or after the date of adoption of the Resolution.

SECTION 807. Effect of Waiver and Other Circumstances.

1. No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

2. The Holders of not less than sixty-six and two-thirds percent (66-2/3%) of the Bond Obligation, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Bonds waive any past default under the Resolution and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 808. Notice of Default. The Trustee shall promptly upon becoming aware of any Event of Default mail to registered Holders of Bonds, the original purchasers of the Bonds and the financial consultant to the Authority and to all Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any Event of Default. If any Fiscal Year Revenues shall be insufficient to comply with the provision of Section 711, the Trustee, on or before the 30th day after receipt of the annual audit, shall mail to such registered Holders and such Bondholder written notice of such failure.

ARTICLE IX

CONCERNING THE FIDUCIARIES

SECTION 901. Trustee and Special Trustee; Appointment and Acceptance of Duties.

1. The Authority shall appoint the Trustee in the Supplemental Resolution authorizing the issuance of the initial Series of Bonds hereunder. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing the certificate of authentication endorsed upon the Bonds, and by executing such certificate upon any Bond the Trustee shall be deemed to have accepted such duties and obligations not only with respect to the Bond so authenticated, but with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in the Resolution.

2. The Authority shall appoint the Special Trustee in the Supplemental Resolution authorizing the issuance of the initial Series of Bonds hereunder. The Special Trustee shall signify its acceptance of duties and

obligations imposed upon it by the Resolution by executing and delivering to the Authority and the Trustee a written acceptance thereof.

SECTION 902. Paying Agents: Appointment and Acceptance of Duties.

1. The Authority shall appoint one or more Paying Agents for the Bonds of each Series, and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 913 for a successor Paying Agent. The Trustee or the Special Trustee may be appointed a Paying Agent.

2. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof.

3. Unless otherwise provided, the principal offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest on and principal or Redemption Price of the Bonds.

SECTION 903. Responsibilities of Fiduciaries.

1. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution or of any Bonds or coupons issued thereunder or as to the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of subsection 2 of this Section 903, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

2. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Resolution. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any

provision of the Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 903.

SECTION 904. Evidence on which Fiduciaries may Act.

1. Each Fiduciary, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of the Resolution, shall examine such instrument to determine whether it conforms to the requirements of the Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may seem reasonable.

3. Except as otherwise expressly provided in this Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to any Fiduciary shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer of the Authority.

SECTION 905. Compensation. The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution and each Fiduciary shall have a lien therefor on any and all Funds at any time held by it under this Resolution. Subject to the provisions of Section 903, the Authority further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.

SECTION 906. Certain Permitted Acts. Any Fiduciary may become the owner of any Bonds and coupons, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as Depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

SECTION 907. Resignation of Trustee or Special Trustee. The Trustee or Special Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than ninety (90) days' written notice to the Authority and ~~publishing~~posting notice thereof, specifying the date whenof such resignation shall take effect, once in each week for three successive calendar weeks in an Authorized Newspaperwith the Municipal Securities Rulemaking Board via its Electronic Municipal Marketplace Access ("EMMA") system or any successor thereto, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 909, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that in no event shall the resignation of the Trustee or Special Trustee become effective until a successor Trustee or Special Trustee shall have been appointed pursuant to the provisions of this Article. Notwithstanding anything herein to the contrary, the only remedy for the failure by the Trustee to post any notice with the Municipal Securities Rulemaking Board shall be an action by the holders, as applicable, in mandamus for specific performance or similar remedy to compel performance.

SECTION 908. Removal of Trustee or Special Trustee. The Trustee or Special Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee and Special Trustee, and signed by the Holders of a majority of the Bond Obligation then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority, or, so long as the Authority is not then in default hereunder, by a certificate of an Authorized Officer of the Authority filed with the Trustee and the Special Trustee.

SECTION 909. Appointment of Successor Trustee or Special Trustee.

1. In case at any time the Trustee or Special Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or Special Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or Special Trustee, or of its property or affairs,

a successor may be appointed by the Authority, so long as the Authority is not then in default hereunder, or, if the Authority is then in default hereunder or the Authority has not appointed a successor Trustee or Special Trustee as the case may be within forty-five (45) days of the occurrence of such event, by the Holders of a majority of the Bond Obligation then outstanding, excluding any Bonds held by or for the account of the Authority. Such appointment by the Holders shall be by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee or Special Trustee, notification thereof being given to the Authority and the predecessor Trustee and Special Trustee; provided, nevertheless, that unless a successor Trustee or Special Trustee shall have been appointed by the Bondholders as aforesaid, the Authority by a duly executed written instrument signed by an Authorized Officer of the Authority shall forthwith appoint a Trustee or Special Trustee to fill such vacancy until a Successor Trustee or Special Trustee shall be appointed by the Bondholders as authorized in this Section 909. The Authority shall mail notice of any such appointment made by it to each registered owner of Bonds within 20 days of such appointment and, unless all of the Bonds outstanding are in registered form, the Issuer shall publish notice of any such appointment made by it in an Authorized Newspaper, such publication to be made within 20 days after such appointment. If the Authority shall be in default hereunder at the time of the appointment of a Successor Trustee or Special Trustee, any Successor Trustee or Special Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the Bondholders.

If no successor Trustee shall have been so appointed and accepted appointment within ninety (90) days of the resignation, removal, incapability or the occurrence of a vacancy in the office of the Trustee or the Special Trustee in the manner herein provided, the Trustee or the Special Trustee, as applicable, or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor Trustee or Special Trustee, as applicable, until a successor shall have been appointed as above provided.

SECTION 910. Transfer or Rights and Property to Successor Trustee or Special Trustee. Any successor Trustee or Special Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor Trustee or Special Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee or Special Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee or Special Trustee, with like effect as if originally named as Trustee or Special Trustee; but the Trustee or Special Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee or Special Trustee, execute, acknowledge and deliver such instrument of conveyance and further

assurance and do such other things as reasonably may be required for more fully and certainty vesting and confirming in such successor Trustee or Special Trustee all the right, title and interest of the predecessor Trustee or Special Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee or Special Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee or Special Trustee for more fully and certainly vesting in and confirming to such successor Trustee or Special Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority. Any such successor Trustee or Special Trustee shall promptly notify all Paying Agents of its appointment as Trustee or Special Trustee.

SECTION 911. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, shall have a net worth after such merger, conversion, consolidation, sale or transfer at least equal to the net worth of the Fiduciary immediately prior thereto, and shall be authorized by law to perform all the duties imposed upon it by the Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

SECTION 912. Adoption of Authentication. In case any of the Bonds contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall have not been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in the Resolution provided that the certificate of the Trustee shall have such full force.

SECTION 913. Resignation or Removal of Paying Agent and Appointment of Successor.

1. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least ninety (90) days' written notice to the Authority, the Trustee, and the other Paying Agents. Any Paying Agent may be removed at any time by an instrument filed with such

Paying Agent and the Trustee and signed by the Authority. Any successor Paying Agent shall be appointed by the Authority with the approval of the Trustee and shall be a bank or trust company or a national banking association, and having capital stock and surplus aggregating at least \$20,000,000 and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

ARTICLE X

SUPPLEMENTAL RESOLUTIONS

SECTION 1001. ~~Supplemental Resolutions Effective Upon Filing With the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority together with a certified copy of a resolution of the City Council approving such Supplemental Resolution, shall be fully effective in accordance with its terms.~~ Supplemental Resolution Without Bondholder or Trustee Consent . The Authority, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders or Trustee (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(1) ~~To close-cure any ambiguity or formal defect or omission or to correct any inconsistent or obsolete provisions in the Resolution against, or provide or to clarify any matters or questions arising hereunder.~~

(2) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(3) To add to the conditions, limitations and restrictions in addition to the on the issuance of Bonds under the provisions of the Resolution other conditions, limitations and restrictions contained in the Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness; thereafter to be observed.

(24) ~~To add to the covenants and agreements of the Authority in the Resolution, other covenants and agreements~~ thereafter to be

observed by the Authority ~~which are not contrary to or inconsistent with the Resolution as theretofore in effect;~~

~~(3) To add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by or to surrender any right or power herein reserved to or conferred upon the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;~~

(4) To authorize Additional Bonds of a Series or Refunding Bonds or to determine the terms and details thereof and, in connection therewith, specify and determine the matters and things referred to in Sections 202, ~~203, 204 or 205~~ 204 or 205 hereof, including the issuance of Additional Bonds or Refunding Bonds, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first ~~authentication and~~ delivery of such Bonds;

~~(5) To confirm, as further assurance,~~ (6) To authorize Additional Projects or to change or modify the description of any pledge under Additional Project.

(7) To specify and determine matters necessary or desirable for the issuance of Variable Rate Bonds, federal or State subsidy bonds or Capital Appreciation Bonds.

(8) To provide for the establishment of a separate subaccount or subaccounts in the Debt Service Reserve Account which shall independently secure one or more Series of Bonds.

(9) To modify, amend or supplement the Resolution, ~~of the Revenues,~~ in such manner as to permit the qualification of the Resolution under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to the Resolution such other ~~moneys, securities or funds;~~ terms, conditions and

~~(6) To modify any of the provisions of the Resolution in any as may be permitted by said Trust Indenture Act of 1939 or similar federal statute.~~

(10) To comply with any future laws, rules and regulations with respect ~~whatever,~~ to Tax-Exempt Bonds or Taxable Bonds.

(11) To provide for the establishment and utilization of Available Revenues as provided in Section 727 hereof.

(12) To make any other change ~~that (i),~~ in the opinion of the Authority, would not materially adversely affect the interests of the Bondholders. In making such determination, the Authority shall not take into consideration any bond insurance policy insuring, or other credit enhancement securing, payment of any Bonds.

SECTION 1002. Supplemental Resolution With Bondholder and Credit Provider Consent. Subject to the terms and provisions contained in this Section 1002 and Sections 1001 and 1003 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolutions hereto as shall be deemed necessary or desirable by the Authority for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Resolution; provided, however, that if such modification ~~shall be, and or amendment will,~~ by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be ~~expressed to~~ required and such Bonds shall not be ~~effective only after~~ deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 1002. No Supplemental Resolution may be approved or adopted which shall permit or require, without the consent of all ~~Bonds of any Series~~ affected Bondholders, (1) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (2) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (3) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Credit Providers of the adoption of any Supplemental Resolution as authorized in Section 1001 hereof.

Written Consent of Credit Providers. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 1002 shall also require the written consent of any Credit Provider that has provided credit enhancement to any Bonds which are Outstanding at the ~~date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be~~ time such Supplemental Resolution shall take effect if (1) such Credit Provider has been granted the right of consent pursuant to Supplemental Resolution, (2) such Credit Provider is not in default under the related credit enhancement documents, and (3) such Credit Provider has not applied for or consented to the appointment of a receiver, custodian, trustee or

liquidator of all or a substantial part of its assets, has not admitted in writing as to its inability to pay its debts as they become due, has not made a general assignment for the benefit of its creditors and has not commenced voluntary bankruptcy proceedings.

Notice. If at any time the Authority shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this 1002, the Authority shall cause the Trustee to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Trustee for inspection by all Bondholders or provide an appropriate World Wide Web internet link to where the Supplemental Resolution is posted. The Authority shall not, however, be subject to any liability to any Bondholder by reason of the Trustee's failure to cause the notice required by this Section 1002 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 1002.

Effect of Supplemental Resolution. Whenever the Authority shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in ~~the text of all Bonds of any Series authenticated and~~ such notice, thereupon, but not otherwise, the Authority may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto. If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Authority from adopting the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 1002, the Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Resolution of the Authority and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of the Resolution as so modified and amended.

Deemed Notice and Consent. Notwithstanding any other provision of this Section 1002, Holders of Bonds shall be deemed to have provided consent pursuant to this Section 1002 if the offering document for such Bonds expressly describes the amendments to the Resolution contained therein and states by virtue of the Holders' purchase of such Bonds the Holders are deemed to have notice of, and consented to, such amendments.

Underwriters or Agents May Provide Consent. Notwithstanding any other provision of this Section 1002, to the extent permitted by law, at the time of issuance or remarketing of Bonds under the Resolution, a broker, dealer or municipal securities dealer, serving as underwriter or remarketing agent for such Bonds, or as agent for or in lieu of Holders of the Bonds, may provide consent to amendments to the Resolution pursuant to this Section 1002.

SECTION 1003. Amendment with Consent of Credit Providers Only. For purposes of amending the Resolution pursuant to Section 1002 hereof, a Credit Provider shall be considered the Holder of such Bonds which it has insured or provided credit enhancement. The consent of the Holders of such Bonds shall not be required if the Credit Provider shall consent to the amendment as provided by this Section 1003 and such Credit Provider (1) is not in default under the related credit enhancement documents, and (2) has not applied for or consented to the appointment of a receiver, custodian, trustee or liquidator of all or a substantial part of its assets, has not admitted in writing as to its inability to pay its debts as they become due, has not made a general assignment for the benefit of its creditors and has not commenced voluntary bankruptcy proceedings. At least fifteen (15) days prior to adoption of any amendment made pursuant to this Section 1003, notice of such amendment shall be delivered ~~after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof~~ to the Rating Agencies rating the Bonds. Upon filing with the Trustee evidence of such consent of the Credit Providers as aforesaid, the Authority may adopt such Supplemental Resolution. After the adoption by the Authority of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notices of an amendment under Section 1002 hereof. Notwithstanding the foregoing, the consent of all affected Bondholders shall still be required with respect to any amendment set forth in clauses (1) through (4) in the first paragraph of Section 1002 hereof.

~~SECTION 1002. Supplemental Resolutions Effective Upon Consent of Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority, and (ii) the filing with the Trustee and the Authority of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms;~~

~~(1) To cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in the Resolution; or~~

~~(2) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect; or~~

~~(3) To make any other changes or modifications to or to otherwise amend the Resolution in any manner that does not materially adversely affect the interests or rights of any of the Holders of Bonds issued pursuant to the terms hereof and then Outstanding.~~

~~SECTION 1003. Supplemental Resolutions Effective With Consent of Bondholders.~~ At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority and upon compliance with the provisions of said Article XI, shall become fully effective in accordance with its terms as provided in said Article XI.

SECTION 1004. General Provisions.

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X ~~and Article XI.~~ Nothing in this Article X ~~or Article XI contained~~ shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 705 or the right or obligation of the Authority to execute and deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

~~2. Any Supplemental Resolution referred to and permitted or authorized by Sections 1001 and 1002 may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms (except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights).~~

~~32.~~ The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 1001, 1002 or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of counsel (which may be a Counsel's Opinion) that such Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

~~43.~~ No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

ARTICLE XI

AMENDMENTS

SECTION 1101. Mailing and Publication.

~~1. Any provision in this Article for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority, (ii) to each Holder of any Bond payable to bearer who shall have filed with the Trustee within two (2) years preceding such mailing a request for notices, (iii) to the Trustee and (iv) to the original purchasers of the Bonds.~~

~~2. Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in an Authorized Newspaper.~~

~~SECTION 1102. Powers of Amendment.~~ Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds and coupons thereunder, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section 1103(i) of the Holders of at least a majority of the Bond Obligation at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority of the Bond Obligation of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of at least a majority of the Bond Obligation of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or

~~amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, or a reduction in the principal amount or the Redemption Price, or in the case of Capital Appreciation Bonds, the Maturity Amount or Accreted Value, as applicable, thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds.~~

~~SECTION 1103. Consent of Bondholders. The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 1102, to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Authority to Bondholders and shall be published in an Authorized Newspaper at least once a week for three successive weeks (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of the Bond Obligation specified in Section 1102 and (b) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been published as hereinafter in this Section 1103 provided. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1202. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent~~

~~Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 1202. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Authority to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of the Bond Obligation shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority and the Trustee a written statement that the Holders of such required percentages of the Bond Obligation have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of the Bond Obligation and will be effective as provided in this Section 1103, may be given to Bondholders by the Authority by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 1103 provided) and by publishing the same in an Authorized Newspaper at least once not more than ninety (90) days after the last of the Holders of the required percentages of the Bond Obligation shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed. The Authority shall file with the Trustee proof of the publication of such notice and, if the same shall have been mailed to Bondholders, of the mailing thereof. A record, consisting of the papers required or permitted by this Section 1103 to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds and coupons at the expiration of forty (40) days after the filing with the Trustee of the proof of the first publication of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the Authority during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.~~

~~SECTION 1104. Modifications by Unanimous Consent. The terms and provisions of the Resolution and the rights and obligations of the Authority and~~

~~of the Holders of the Bonds and coupons thereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Resolution and the consent of the Holders of all the Bonds then Outstanding, such consent to be given as provided in Section 1103 except that no notice to Bondholders either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.~~

SECTION 1105.1005. Exclusion of Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article ~~XIX~~, and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article ~~X~~, the Authority shall furnish the Trustee a certificate of an Authorized Officer of the Authority, upon which the Trustee may rely, describing all Bonds so to be excluded.

SECTION 1106.1006. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken ~~as in Article X or~~ this Article ~~XI provided~~, may, and, if the Trustee so determines, shall bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for such purpose at the principal office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds with all unpaid coupons, if any, appertaining thereto.

ARTICLE XI

(DELETED)

ARTICLE XII

MISCELLANEOUS

SECTION 1201. Defeasance.

1. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds and coupons the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of ~~any Revenues~~ Pledged Funds, and other moneys and securities pledged under this Resolution and all covenants, agreements and other obligations of the Authority to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Authority all moneys or securities held by them pursuant to the Resolution which are not required for the payment of principal or Redemption Price, if applicable, on Bonds or payment of coupons not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Outstanding Bonds of a particular Series and the coupons appertaining thereto the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

2. Bonds or coupons or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section. All Outstanding Bonds of any Series, or all or any portion of one or more maturities within a Series, and all coupons appertaining to such Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to

their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to give as provided in Article V notice of redemption of such Bonds on said date, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Investment Securities the principal of and the interest on which when due will provide money which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to provide, as soon as practicable, by mail to the registered owners of all Registered Bonds so defeased. Neither Investment Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any ~~ease~~cash received from such principal or interest payments on such Investment Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in Investment Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien of pledge securing said Bonds or otherwise existing under the Resolution. For purposes of this Section, Investment Securities shall mean and include only such securities as are described in clauses (i) and (vi) of the definition of "Investment Securities" in Section 101.

3. Anything in the Resolution to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge for any of the Bonds or coupons which remain unclaimed for six (6) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, unless otherwise provided by law, at the written request of the Authority, be repaid by the Fiduciary to the Authority, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the Authority for the payment of such Bonds and

coupons; provided, however, that before being required to make any such payment to the Authority, the Fiduciary shall, at the expense of the Authority, cause to be published at least three times at intervals of not less than seven (7) days between publications, in Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than forty-five (45) days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the Authority.

SECTION 1202. Evidence of Signatures of Bondholders and Ownership of Bonds.

1. Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds or coupons appertaining thereto, shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Bondholder or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate or any notary public or other officer authorized to take acknowledgments of deed, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(2) The amount of Bonds transferable by delivery held by any person executing any instrument as a Bondholder, the date of his holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated, showing at the date therein mentioned that such person exhibited to such member or officer or had on deposit

with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee. In addition to the foregoing provisions, the Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

2. The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

3. Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Fiduciary in accordance therewith.

SECTION 1203. Prior Obligations Not Affected. Nothing contained in the Resolution shall be construed as impairing or destroying the obligation of the Authority in connection with any franchise, contract, agreement, lease or other arrangement entered into by the Authority in connection with the operation of the properties of the City by the Authority prior to the adoption of this Resolution, or to release any person, firm or corporation, public or private, from any debt or other obligation to the Authority pursuant to any such franchise, contract, agreement, lease or other arrangement.

SECTION 1204. Moneys Held for Particular Bonds and Coupons. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds or coupons, shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds and coupons entitled thereto.

SECTION 1205. Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any other Fiduciary, and any Bondholder and their representatives, any of whom may make copies thereof.

SECTION 1206. Parties Interested Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the Fiduciaries and the Holders of the Bonds and the coupons thereunto appertaining, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof, and all the covenants, stipulations, promises and agreements in the

Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciaries, and the Holders of the Bonds and the coupons thereunto appertaining.

SECTION 1207. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Resolution against any member or officer of the Authority or the City or any person executing the Bonds. Further, the Bonds do not constitute a debt of the City or a pledge of the faith and credit of the City. The Bonds and the interest thereon are payable solely from the funds pledged therefor under the Resolution. The issuance of Bonds under the Resolution shall not directly or indirectly or contingently obligate the City to levy or pledge any form of taxation whatever therefor or to make any appropriation for their payment.

SECTION 1208. Publication of Notice; Suspension of Publication.

1. Any publication to be made under the provisions of the Resolution in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspapers for any or all of the successive publications but may be made in a different Authorized Newspapers.

2. If, because of the temporary or permanent suspension of the publication or general circulation of Authorized Newspapers or for any other reason, it is impossible or impractical to publish any notice pursuant to the Resolution in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

SECTION 1209. [Deleted].

SECTION 1210. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in the Resolution on the part of the Authority or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of the Resolution.

SECTION 1211. Available PFC Revenues; Transition.

1. On the date the Consent Amendments become effective in accordance with the terms hereof, the Available PFC Revenues pledged to Bonds Outstanding, including the portion of the Series 2015A Bonds which financed the 2015A PFC Projects (the "Outstanding PFC Bonds"), shall continue to be so pledged subsequent to such effective date. However, for purposes of the Resolution, Available PFC

Revenues subsequent to such effective date shall be utilized in accordance with the Amended and Restated Bond Resolution, including, in particular, Section 727 hereof. Subsequent to the effective date of the Consent Amendments, such Available PFC Revenues shall be considered Revenues only for purposes of the pledge provided by the Resolution.

2. As permitted by the Amended and Restated Bond Resolution, the Authority hereby determines that Passenger Facilities Charges shall constitute Available PFC Revenues for the Outstanding PFC Bonds in each Fiscal Year starting with the Fiscal Year during which the Consent Amendments shall become effective, in an amount for each such Fiscal Year as set forth in the certificate of an Authorized Officer delivered in connection with the issuance of the Outstanding PFC Bonds. The amount of Available PFC Revenues specified in the certificate of an Authorized Officer for each such Fiscal Year shall be the amount required to pay the amount of principal of and interest due and payable on the Outstanding PFC Bonds in each such Fiscal Year as specifically set forth in the certificate of an Authorized Officer. Such Available PFC Revenues shall be deposited into the Available PFC Account and shall be transferred to the Bond Fund for the payment of the Outstanding PFC Bonds.

3. As provided in the Amended and Restated Bond Resolution, commencing in the Fiscal Year during which the Consent Amendments shall become effective, the Debt Service on the Outstanding PFC Bonds to be paid from Available PFC Revenues shall be irrevocably committed to payment of such Debt Service pursuant to this Section 1211 and Section 727 of the Amended and Restated Bond Resolution and shall not be included in calculating Debt Service in each applicable Fiscal Year for purposes of the Amended and Restated Bond Resolution.

4. In each of the Fiscal Years specified in subsection (2) above, the Authority shall deposit an amount of Passenger Facilities Charges as received by the Authority into the Bond Fund until there have been deposited therein during such Fiscal Year an amount of Passenger Facilities Charges at least equal to the committed amounts of Available PFC Revenues specifically set forth in the certificate of an Authorized Officer.

5. Any Passenger Facilities Charges received in any of the Fiscal Years specified in subsection (2) above in excess of the committed amounts of Available PFC Revenues as specifically set forth in the certificate of an Authorized Officer, including any investment earnings thereon, may be used by the Authority for paying the cost of projects eligible to be funded with Passenger Facilities Charges or as otherwise permitted by federal statute or the regulations promulgated by the Federal Aviation Administration with respect to Passenger Facilities Charges.

SECTION 1212. Rate Covenant; Transition. The Rate Covenant provided in Section 711 of the Amended and Restated Bond Resolution shall be operative for the entire Fiscal Year in which the effective date of the Consent Amendments occurs.

SECTION 1213. Additional Bonds Test; Transition. The Additional Bonds test provided in Section 204 of the Amended and Restated Bond Resolution shall be operative for all Additional Bonds issued on or subsequent to the effective date of the Consent Amendments.

SECTION 1214. Other Provisions; Transition. The Authority may adopt pursuant to Supplemental Resolution procedures for the transition of provisions in this Resolution to those of the Amended and Restated Bond Resolution.

ARTICLE XIII

BOND FORMS AND EFFECTIVE DATE OF RESOLUTION

SECTION 1301. Form of Bonds and Coupons and Trustee's Certificate of Authentication. Subject to the provisions of the Resolution, the Bonds of each Series, the coupons (if any) to be attached hereto, the validation certificate and the Trustee's certificate of authentication shall be, ~~respectively, in substantially the following forms, with such insertions or omissions, endorsements and variations as may be required or permitted by the Resolution and the Act;~~ in the form provided in the Supplemental Resolution authorizing such Series of Bonds.

[FORM OF COUPON BOND]

CITY OF ORLANDO, FLORIDA

AIRPORT FACILITIES REVENUE BOND, _____ SERIES

\$5,000 _____ No. _____

The City of Orlando, Florida (herein called the "City"), a municipal corporation in the County of Orange, State of Florida, acknowledges itself indebted to, and for value received hereby promises to pay, solely from the revenues and special funds pledged therefor as hereinafter provided, to the bearer on the first day of _____, upon presentation and surrender of this bond, the principal sum of _____ Dollars (\$ _____) and, to pay solely from such revenues and special funds pledged therefor interest on such principal sum from the date hereof, at the rate of _____ per centum (____%) per annum, payable semi-annually on the first days of _____ and _____ in each year until the City's obligation with respect to the payment of such principal sum shall be discharged as provided in the Resolution hereinafter mentioned, but only in the case of interest due on or before maturity of this bond, according to the tenor of the respective coupons therefor annexed hereto and upon presentation and surrender of said coupons as they severally become due. This bond, as to principal, interest and redemption price, will be payable at the principal offices of _____ or _____ (such banks and any successors thereto being referred to herein as the "Paying Agents"), at the option of the bearer, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the City designated "Airport Facilities Revenue Bonds, _____ Series" (the "_____ Series Bonds"), in the aggregate principal amount of \$ _____ issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City, under authority of and pursuant to Chapter 98-492, Special Laws of Florida 1998, as amended (herein called the "Act"), and under and pursuant to a resolution of the Authority adopted June 13, 1978, entitled "Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida" and a supplemental resolution of the Authority authorizing the _____ Series Bonds (said Airport Facilities Revenue Bond Resolution as supplemented being herein called the "Resolution"). As provided in the Resolution, this bond as to principal or redemption price thereof and interest thereon are payable solely from and secured by a pledge of the revenues of the Airport System (as defined in the Resolution) owned by the City and operated by the Authority, and other funds held or set aside under the Resolution. Copies of the Resolution are on file at the offices of the City and the Authority and at the principal office of _____, as Trustee

under the Resolution, or its successor as Trustee (herein called the "Trustee"), and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this bond, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the bearers or registered owners of this bond with respect thereto and the terms and conditions upon which bonds are issued and may be issued thereunder.

As provided in the Resolution, bonds of the City may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and otherwise may vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the City with the written consent of the holders of at least a majority in principal amount of the bonds then outstanding under the Resolution, and, in case less than all of the series of bonds would be affected thereby, with such consent of at least a majority in principal amount of the bonds of each series so affected then outstanding under the Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of at least a majority in principal amount of the bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like series and maturity remain outstanding under the Resolution, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any bond outstanding or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such bonds or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of any Paying Agent without its written assent thereto.

The bonds of the issue of which this bond is one are issuable in the form of coupon bonds in the denomination of \$5,000 and in the form of registered bonds without coupons in the denominations of \$5,000 or any integral multiple of

~~§5,000. The holder of any coupon bond or bonds may surrender the same, with all unmatured coupons attached, at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of registered bonds, without coupons, of any of the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Resolution. In like manner, subject to such conditions and upon the payment of such charges, the owner of any registered bond or bonds without coupons may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney), in exchange for an equal aggregate principal amount of coupon bonds with appropriate coupons attached, or of registered bonds without coupons of any other authorized denominations.~~

The bonds of the issue of which this bond is one are subject to redemption prior to maturity, upon published notice as hereinafter provided, (i) in part by operation of the Debt Service Account in the Bond Fund established under the Resolution to satisfy Sinking Fund Installments, on _____ 1, _____ and on each _____ 1 thereafter, at the principal amount thereof together with accrued interest to the redemption date, and (ii) otherwise, as a whole or in part, at any time, at the election of the City on or after _____ 1, _____, at the respective redemption prices (expressed as percentages of the principal amount of the bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

Period During which Redeemed _____	Redemption
(both dates inclusive) _____	Price _____

~~If less than all of the bonds of like maturity are to be redeemed, the particular bonds or portions of bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.~~

The bonds of the issue of which this bond is one are payable upon redemption at the above mentioned offices of the Paying Agents. Notice of redemption shall be published once a week for at least three successive weeks in a newspaper or financial journal printed in the English language and published and of general circulation in the City of Orlando and in a similar newspaper or financial

~~journal in The City of New York, New York, respectively, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been published as aforesaid, the bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such bonds shall cease to accrue and become payable to the holders or registered owners entitled to payment thereof on such redemption, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void.~~

The City has not pledged its faith and credit to the payment of the principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond shall not be payable from, or be a charge upon, any funds other than those pledged under the Resolution to the payment hereof. No holder of this bond shall ever have the right to compel the exercise of the taxing power of the City to pay the principal of, premium, if any, or the interest hereon, nor to enforce payment against any other property of the City, nor shall this bond, or any interest coupon appertaining hereto, constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the City.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Florida or the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes.

Neither this bond nor any coupons for interest thereon shall be entitled to any security, right or benefit under the Resolution or be valid or obligatory for any purpose, unless the certificate of authentication hereon has been duly executed by the Trustee.

IN WITNESS WHEREOF, THE CITY OF ORLANDO, FLORIDA has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and countersigned by the Chairman of the Greater Orlando Aviation Authority, and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, and coupons for interest, bearing and authenticated by the facsimile signatures of its Mayor and the Chairman of the Greater Orlando Aviation Authority, to be hereunto attached, all as of the ____ day of _____.

CITY OF ORLANDO, FLORIDA

By: _____
Mayor

ATTEST:

City Clerk

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Chairman

[FORM OF COUPONS]

No. _____

On the _____ day of _____ (unless the bond hereinafter mentioned shall have been duly called for previous redemption and payment of the redemption price made or duly provided for) City of Orlando, Florida will pay to the bearer, but solely from the revenues and other funds pledged therefor and referred to in the bond hereinafter mentioned, at the principal offices of _____ or _____, at the option of the bearer, upon surrender of this coupon, _____ dollars (\$ _____) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, being the interest then due on its Airport Facilities Revenue Bond, _____ Series, No. _____.

Mayor of the City of Orlando,
Florida

Chairman of the Greater Orlando
Aviation Authority

[FORM OF REGISTERED BOND]

CITY OF ORLANDO, FLORIDA

AIRPORT FACILITIES REVENUE BOND, _____ SERIES

\$ _____ No. _____

The City of Orlando, Florida (herein called the "City"), a municipal corporation in the County of Orange, State of Florida, acknowledges itself indebted to, and for value received hereby promises to pay, solely from the revenues and special funds pledged therefor as hereinafter provided to _____, or registered assigns, on the first day of _____, the principal sum of _____ Dollars, and to pay solely from such revenues and special funds pledged therefor to the registered owner hereof interest on such principal sum from the date hereof at the rate of _____ per centum (____%) per annum, payable semi-annually on the first days of _____ and _____ in each year until the City's obligation with respect to the payment of such principal sum shall be discharged as provided in the Resolution hereinafter mentioned. This bond, as to principal, interest and redemption price, will be payable at the principal offices of _____, or _____ (such banks and any successors thereto being referred to herein as the "Paying Agents"), at the option of the registered owner hereof, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the City designated "Airport Facilities Revenue Bonds, _____ Series" (the "_____ Series Bonds"), in the aggregate principal amount of \$ _____ issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City, under authority of and pursuant to Chapter 98-492, Special Laws of Florida, 1998, as amended (herein called the "Act"), and under and pursuant to a resolution of the Authority adopted June 13, 1978, entitled "Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida" and a supplemental resolution of the Authority authorizing the _____ Series Bonds (said Airport Facilities Revenue Bond Resolution as supplemented being herein called the "Resolution"). As provided in the Resolution, this bond as to principal or redemption price thereof and interest thereon are payable solely from and secured by a pledge of the revenues of the Airport System (as defined in the Resolution) owned by the City and operated by the Authority, and other funds held or set aside under the Resolution. Copies of the Resolution are on file at the offices of the City and the Authority and at the principal office of _____, as Trustee under the Resolution, or its successor as

Trustee (herein called the "Trustee"), and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this bond, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the bearers or registered owners of this bond with respect thereto and the terms and conditions upon which bonds are issued and may be issued thereunder.

As provided in the Resolution, bonds of the City may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and otherwise may vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the City, with the written consent of the holders of at least a majority in principal amount of the bonds then outstanding under the Resolution, and, in case less than all of the series of bonds would be affected thereby, with such consent of at least a majority in principal amount of the bonds of each series so affected then outstanding under the Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of at least a majority in principal amount of the bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like series and maturity remain outstanding under the Resolution, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such bond, or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of any Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of the City kept for that purpose at the above mentioned office of the Trustee by the registered owner hereof in person, or by his duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to

the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new registered bond or bonds, without coupons, and in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The City, the Trustee and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The bonds of the issue of which this bond is one are issuable in the form of coupon bonds in the denomination of \$5,000 and in the form of registered bonds without coupons in the denominations of \$5,000 or any integral multiple of \$5,000. The holder of any coupon bond or bonds may surrender the same, with all unmatured coupons attached, at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of registered bonds, without coupons, of any of the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Resolution. In like manner, subject to such conditions and upon the payment of such charges, the owner of any registered bond or bonds without coupons may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner of his duly authorized attorney), in exchange for an equal aggregate principal amount of coupon bonds with appropriate coupons attached, or of registered bonds without coupons of any other authorized denominations.

The bonds of the issue of which this bond is one are subject to redemption prior to maturity, upon published notice as hereinafter provided, (i) in part by operation of the Debt Service Account in the Bond Fund established under the Resolution to satisfy Sinking Fund Installments, on _____ 1, and on each _____ 1 thereafter, at the principal amount thereof together with accrued interest to the redemption date, and (ii) otherwise, as a whole or in part, at any time, at the election of the City, on or after _____, at the respective redemption prices (expressed as percentages of the principal amount of the bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

Period During which Redeemed _____	Redemption
_____(both dates inclusive)_____	Price

If less than all of the bonds of like maturity are to be redeemed, the particular bonds or portions of bonds to be redeemed shall be selected at random by the

~~Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.~~

~~The bonds of the issue of which this bond is one are payable upon redemption at the above mentioned offices of the Paying Agents. Notice of redemption shall be published once a week for at least three successive weeks in a newspaper or financial journal printed in the English language and published and of general circulation in the City of Orlando and in a similar newspaper or financial journal in The City of New York, New York, respectively, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been published as aforesaid, the bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such bonds shall cease to accrue and become payable to the holders or registered owners entitled to payment thereof on such redemption, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void.~~

~~The City has not pledged its faith and credit to the payment of the principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond. The principal of, premium, if any, or interest on this bond shall not be payable from, or be a charge upon, any funds other than those pledged under the Resolution to the payment hereof. No holder of this bond shall ever have the right to compel the exercise of the taxing power of the City to pay the principal of, premium, if any, or the interest hereon, nor to enforce payment against any other property of the City, nor shall this bond, or any interest coupon appertaining hereto, constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the City.~~

~~It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Florida or the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this bond is one, together with all other indebtedness of City, is within every debt and other limit prescribed by said Constitution or statutes.~~

~~This bond shall not be entitled to any security, right or benefit under the Resolution or be valid or obligatory for any purpose, unless the certificate of authentication hereon has been duly executed by the Trustee.~~

~~IN WITNESS WHEREOF, the City of Orlando, Florida has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and countersigned by the Chairman of the Greater Orlando Aviation Authority and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the _____ day of _____, _____.~~

CITY OF ORLANDO, FLORIDA

By: _____
Mayor

ATTEST: _____ **GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
City Clerk _____ Chairman

[FORM OF VALIDATION CERTIFICATE ON ALL BONDS]

~~This bond is one of a series of bonds which were validated by judgment of the Circuit Court of the Ninth Judicial Circuit of the State of Florida, in and for Orange County, rendered on _____, _____.~~

Mayor of the City of Orlando,
Florida

Chairman of the Greater Orlando
Aviation Authority

[FORM OF CERTIFICATE OF AUTHENTICATION ON ALL BONDS]

TRUSTEE'S CERTIFICATE

This bond is one of the bonds executed and delivered pursuant to the within mentioned Resolution.

Trustee

By: _____
Authorized Officer

SECTION 1302. ~~Effective Date of Resolution. This Resolution shall become effective upon approval thereof by the City Council by proper resolution.~~ Effective Date of Amended and Restated Bond Resolution and Consent Amendments. Upon (i) receipt of the written consent thereto of the Holders of at least a majority of the principal amount of the Bonds Outstanding, (ii) receipt of consent or approval of any other entities which have been provided such right, including the City, and (iii) compliance with the relevant provisions of Articles X and XI of the Airport Facilities Revenue Bond Resolution, this Amended and Restated Bond Resolution will be deemed adopted and the Consent Amendments contained therein shall become effective. Upon the adoption of this Amended and Restated Bond Resolution, this Amended and Restated Bond Resolution shall supersede all other prior bond resolutions of the Authority in all respects.

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Airport Facilities Revenue Bond Resolution approved and adopted by
Greater Orlando Aviation Authority Board on _____,
_____, 2015.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Chairman

APPENDIX D

RATE RESOLUTION AND FORM OF REVENUE SHARING AGREEMENT

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**AMENDED AND RESTATED RESOLUTION OF THE
GREATER ORLANDO AVIATION AUTHORITY**

RELATING TO

**AIRLINE RATES AND CHARGES AND AIRLINE
OPERATING TERMS AND CONDITIONS FOR THE
USE OF FACILITIES AND SERVICES AT
ORLANDO INTERNATIONAL AIRPORT**

**August 10, 2016
to be effective October 1, 2016**

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RESOLUTION

W I T N E S S E T H:

WHEREAS, the City of Orlando is the owner of the Airport located in the City of Orlando, County of Orange, State of Florida; and

WHEREAS, pursuant to an agreement dated September 27, 1976 with the City of Orlando, City Document No. 13260-1, as amended by that certain Amended and Restated Operation and Use Agreement dated August 31, 2015, the Authority has custody, control, and management of the Airport, and under its governmental responsibilities, operates the Airport for the accommodation of air commerce transportation; and

WHEREAS, the Authority has the right to lease, license, or otherwise provide for the use of land, property and facilities of the Airport and has full power and authority to establish Rates and Charges and operating terms and conditions for such use; and

WHEREAS, Airlines engaged in the business of transportation by air of persons, property, mail, parcels and/or cargo desire to conduct operations at the Airport; and

WHEREAS, the Authority desires to adopt this Resolution to establish the permitted activities and operating terms and conditions of Airlines, and Rates and Charges payable by Airlines, with respect to the use and occupancy of the Airport;

NOW, THEREFORE, BE IT RESOLVED by the Greater Orlando Aviation Authority that:

ARTICLE 1 DEFINITIONS

The following words, terms and phrases wherever used in this Resolution shall have the following meanings:

1.1 Affiliate shall mean any Airline that has signed an Operating Permit or Letter of Authorization and (i) is a parent or wholly owned subsidiary of another Airline, or (ii) operates under essentially the same trade name as another Airline at the Airport and uses essentially the same livery as such other Airline.

1.2 Airfield or Airfield Cost Center shall mean those portions of the Airport, excluding the Terminal Apron, providing for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, runway protection zones, safety areas, infield areas, landing and navigational aids, service roads, fencing, buffer areas, fuel farm, fuel hydrant and delivery systems, clear zones, avigation or other easements, access roadways, perimeter roads, runways, a fully integrated taxiway system, runway and taxiway lights, and

other appurtenances related to the aeronautical use of the Airport, including any property purchased for noise mitigation purposes, as may be designated from time to time by the Authority in its reasonable discretion.

1.3 Airline shall mean a legal entity certificated by the United States Department of Transportation as either a passenger or cargo carrier.

1.4 Airline Equipment shall mean loading bridges, pre-conditioned air, ground power/400Hz, potable water, fire bottles and related equipment used to transport passengers between the Terminal and an aircraft.

1.5 Airline Equipment Charge shall mean the amount payable by an Airline for the use of Airline Equipment, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.6 Airline Equipment Expenses shall mean the aggregate annual cost to the Authority of acquiring and maintaining all Airline Equipment, which cost (a) shall include Debt Service, O&M Expenses, Operating Reserves and Amortization, but (b) shall not include the acquisition cost of items purchased by the Authority with PFCs or funds from federal or state grants.

1.7 Airline Premises shall mean those areas in the Terminal or Terminal Aprons assigned to an Airline from time to time, including but not limited to areas assigned in connection with a Letter of Authorization. The use or occupancy of premises at the Airport that is not in the Terminal or on the Terminal Apron (e.g. hangers), and that is leased by an Airline subject to a separate agreement between the Authority and such Airline, shall not be governed by the terms of this Resolution, except to the extent set forth in such separate agreement.

1.8 Airport shall mean Orlando International Airport, owned by the City of Orlando and operated by the Authority, including all real property easements or any other interest therein as well as all improvements and appurtenances thereto, structures, buildings, fixtures, and all tangible personal property or interest in any of the foregoing, now or hereafter owned, leased or operated by the Authority.

1.9 Air Transportation Business shall mean the scheduled or non-scheduled commercial transportation by air of persons, property, mail, parcels and/or cargo.

1.10 Airport System shall mean all real property owned or operated from time to time by the Authority, and any interest therein, including improvements thereto, structures, buildings, fixtures, and other personal property, which comprise part of the Airport, Orlando Executive Airport or any airport hereafter owned by the Authority or by the City of Orlando and leased or operated by the Authority.

1.11 Amortization shall mean the annualized cost of capital assets and projects (including renewal and replacement projects and other expenditures) funded with Authority funds, amortized over the reasonably expected life of the respective asset, project or expenditure,

and charged to the Cost Center(s) to which the asset, project or expenditures relates and, within the Terminal Cost Center, if and to the extent appropriate, to the Baggage System, the FIS or the Airline Equipment Expenses.

1.12 Apron Use Fee shall mean the amount payable by an Airline for the use of the Terminal Apron, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.13 Authority shall mean the Greater Orlando Aviation Authority, created pursuant to Chapter 57-1658, Special Laws of Florida 1957, as replaced by Chapter 98-492, Laws of Florida, as amended, and, for purposes of carrying out and exercising the obligations, rights and duties of such entity hereunder, its board and executive staff, as the context requires.

1.14 Authority Policies and Procedures shall mean the operating rules, policies, procedures, terms, conditions and directives relating to operations at the Airport, as publicly posted or available (e.g. on the Authority's website) or as announced from time to time by the Executive Director or the Executive Director's designee, or as set forth, from time to time, in the Airline Operations Procedures (or similar document), all as may be amended from time to time by the Authority, which amendments shall be effective after reasonable notice to the persons to whom such amendments apply, including, in certain cases, notice by public posting.

1.15 Baggage System shall mean the Inbound Baggage System and the Outbound Baggage System.

1.16 Bond Resolution shall mean the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of City of Orlando, Florida, adopted by the Authority on June 13, 1978, codified on September 17, 2008 and as the same has and may hereafter, from time to time, be amended and supplemented by Supplemental Resolution, as defined in the Bond Resolution.

1.17 Bonds shall mean the Airport Facilities Revenue Bonds issued by the Authority pursuant to the Bond Resolution.

1.18 Chargeable Landings shall mean all Revenue Landings and those Non-Revenue Landings whenever the same aircraft subsequently departs the Airport as a revenue generating flight.

1.19 City shall mean the City of Orlando, Florida.

1.20 Committed Premises shall mean Exclusive Use Premises and Preferential Use Premises assigned to an Airline pursuant to a Letter of Authorization.

1.21 Common Use Baggage Charges shall mean charges payable by the Airlines for use of the Inbound Baggage System and the Outbound Baggage System, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.22 Common Use Premises shall mean Airline Premises, other than Preferential Use Premises and Exclusive Use Premises, that are assigned by the Authority from time to time for use and occupancy by an Airline and paid for on an activity basis, whether by Facility Fee or Common Use Baggage Charges, and shall include, for example, ticket counters, baggage make-up, Baggage System, gates, holdrooms, aprons and loading bridges. Common Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.23 Cost Centers shall mean those distinct areas or functional activities of the Airport System established by the Authority from time to time and used for the purposes of accounting for Revenues, O&M Expenses, Operating Reserves, Amortization and Debt Service, and for calculating Rates and Charges.

1.24 Debt Service shall mean any principal, interest, premium, and other fees and amounts either paid or accrued for, or required under applicable documents to be paid or accrued for, Bonds, Subordinated Indebtedness or Other Indebtedness, exclusive of amounts funded by Available PFC Revenues (as defined in the Bond Resolution).

1.25 Deplaned Passenger shall mean any passenger disembarking an aircraft at the Terminal, including any such passenger that (a) shall subsequently board another aircraft of the same or a different Airline or (b) subsequently board or remain on board the same aircraft operating under a different flight number than at the time it landed at the Airport.

1.26 Effective Date shall mean October 1, 2016.

1.27 Enplaned Passenger shall mean any passenger boarding an aircraft at the Terminal, including any such passenger that (a) previously disembarked from another aircraft of the same or a different Airline or (b) disembarked from or remained on board the same aircraft operating under a different flight number than at the time it landed at the Airport.

1.28 Environmental Laws shall have the meaning set forth in Section 17.5(a)(i) below.

1.29 Exclusive Use Premises shall mean those portions of the Terminal available for use and occupancy for a fixed monthly amount, and assigned to an Airline on an exclusive basis. Exclusive Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.30 Executive Director shall mean the Executive Director of the Authority, and shall include such person or persons as may from time to time be authorized in writing by the Authority or by the Executive Director or applicable law to act for the Executive Director with respect to any or all matters pertaining to the operation of the Airport.

1.31 FAA shall mean the Federal Aviation Administration, or its authorized successor(s).

1.32 Facility Fee shall mean a Per Turn fee payable by an Airline for the right to use Common Use Premises assigned to an Airline (other than the Baggage System), for the

processing of passengers and baggage (e.g. gate, check-in counter, queue space, holdroom, bag make-up space and equipment, Airline Equipment, Terminal Apron, etc.), as established from time to time by the Authority based on calculations using the Rate Methodology.

1.33 Fiscal Year shall mean the annual accounting period of the Authority for its general accounting purposes which, as of the Effective Date, is the period of twelve consecutive months, ending with the last day of September of any year.

1.34 FIS shall mean the Federal Inspection Services facilities located in the Terminal.

1.35 FIS Fees shall mean the per person-on-board fee payable by Airlines for the use of the FIS, as established from time to time by the Authority based on calculations using the Rate Methodology.

1.36 FIS Space shall mean those areas in the Terminal used for the processing of arriving international passengers that require federal processing, including associated sterile corridors, customs and immigration control, international baggage claim areas, federal agency offices, and any other Federal Inspection Services facilities.

1.37 Ground Transportation Cost Center shall mean those areas of the Airport designated from time to time by the Authority for public automobile parking, automobile rental agencies, taxi, bus and limousine parking areas, and other nonaeronautical transportation related accommodations and services for the public arriving at or leaving the Terminal, as designated as such from time to time by the Authority.

1.38 Hotel shall mean the hotel facility, including guest rooms, meeting rooms, restaurants and lobby areas, located in the landside Terminal building.

1.39 Identified Affiliate shall have the meaning set forth in Section 5.3 below.

1.40 Inbound Baggage System shall mean the Airport space, facilities and equipment used to process passenger bags from the time a bag is removed from an aircraft until it is claimed by, or delivered to, the passenger, including bag claim, bag drop off, and 50% of the tug road, but excluding bag make-up and any remote (non-Terminal) screening facilities and equipment for which the Authority incurs no operational or maintenance costs.

1.41 International Gates shall have the meaning set forth in Section 4.2(a) below.

1.42 Landing Fee shall mean the amount payable by an Airline for the use of the Airfield, as designated from time to time by the Authority based on calculations using the Rate Methodology.

1.43 Letter of Authorization shall mean a written commitment by an Airline, in a form acceptable to the Authority, to use and occupy Committed Premises for a stated duration.

1.44 Maximum Gross Landed Weight shall mean the maximum gross certificated landing weight in one thousand pound units for each aircraft operated at the Airport by an Airline, as certificated by the FAA or its successor.

1.45 Non-Revenue Landing shall mean any aircraft landing by an Airline at the Airport for a flight for which the Airline receives no revenue, which shall include any flight, that after having taken off from the Airport and without making a landing at any other airport, returns to land at the Airport because of meteorological conditions, mechanical or operating causes, or any other reason of emergency or precaution.

1.46 Operation and Maintenance Expenses (or O&M Expenses) shall mean all direct, indirect or general administrative, operational and maintenance expenses, paid, payable or accrued, of the Authority to operate, maintain, and conduct ordinary current repairs or replacements of or at the Airport and shall include, without limiting the generality of the foregoing, insurance premiums, insurance claims and related costs, self-insurance retentions, administrative fees, administrative expenses of the Authority, employment compensation and costs, engineering, architectural, legal, accounting and airport consultant fees and costs, replacement and/or repair of all vehicles, rolling stock and moveable equipment, fees and expenses relating to any Bonds not included in Debt Service, and expenditures for the purpose of paying the cost of rebuilding, reconstructing, altering, replacing and renewing the facilities of the Airport (other than expenditures of casualty insurance proceeds), construction and acquisition of improvements to capital assets of the Airport, and such other current expenses of the Authority incurred in connection with the operation of the Airport. O&M Expenses shall not include any allowance for depreciation or obsolescence of capital assets used at the Airport, or any operating expenses of special purpose facilities buildings where the lessees thereof are obligated to pay such operating expenses. Direct and indirect O&M Expenses shall be allocated by the Authority from time to time to the Cost Center to which those expenses relate.

1.47 Operating Permit shall mean a written acknowledgment by an Airline, in a form acceptable to the Authority, of the applicability of this Resolution to such Airline's use of the Airport, including the Airfield, Terminal Apron and Terminal space, facilities and equipment.

1.48 Operating Reserve Requirement (or O&M Reserve Requirement) shall mean the operating reserve amount required to be created and maintained in accordance with the Bond Resolution, or, in the absence thereof, such amount deemed reasonable in the discretion of the Executive Director.

1.49 Operating Reserves shall mean all repair, replacement, operating, maintenance and other reserves (including the Operating Reserve Requirement) required or deemed prudent in the reasonable discretion of the Authority.

1.50 Other Buildings and Grounds Cost Center shall mean those areas of the Airport not in the Airfield Cost Center, Terminal Cost Center, Ground Transportation Cost Center, or Other Cost Center.

1.51 Other Cost Center shall mean those areas of the Airport specifically designated from time to time by the Authority in its reasonable discretion as not belonging in another Cost Center, including, but not limited to, rail corridors, terminals and operations.

1.52 Other Indebtedness shall mean any debt incurred by the Authority for Airport purposes which is outstanding and not authenticated and delivered under and pursuant to the Bond Resolution or any Subordinated Bond Resolution.

1.53 Outbound Baggage System shall mean the Airport space, facilities, and equipment used to process passenger bags from the time a bag is checked until it is loaded on an aircraft, including the in-line baggage handling system and 50% of the tug road, but excluding bag make-up and any remote (non-Terminal) screening facilities and equipment for which the Authority incurs no operational or maintenance costs.

1.54 Passenger Facility Charge (or PFC) shall mean the fees authorized by 49 U.S.C. 40117 and regulated by 14 CFR Part 158 as such statute and regulations currently exist or as they may be amended.

1.55 Performance Security shall have the meaning set forth in Section 7.6(a) below.

1.56 Per Turn shall mean a single inbound and outbound flight operation, for which an Airline uses certain Terminal space, facilities and/or equipment, other than Committed Premises.

1.57 Preferential Use Premises shall mean those portions of the Terminal and Terminal Aprons assigned to an Airline pursuant to a Letter of Authorization for use and occupancy for a fixed monthly amount and to which such Airline will have scheduling priority over other users. Preferential Use Premises may be designated as such from time to time in the Authority Policies and Procedures.

1.58 Public Space shall mean all public sidewalks, stairways, hallways, corridors, elevators, escalators, entrance-ways, lobbies and waiting areas, passenger screening areas, passenger transit system, restrooms, and other similar areas made available by the Authority from time to time for use by passengers, Authority and Airline employees, and other members of the public; areas used by the Orlando Police Department and TSA that are not rented; and areas used for the operation, maintenance or security of the Terminal, even if used solely by the Authority (such as utility rooms, ductways, janitorial rooms and closets), as such may be designated from time to time.

1.59 Rate and Revenue Sharing Agreement shall mean an agreement between one or more Airlines and the Authority, whereby the Authority agrees to share with such Airlines certain net Revenues, as set forth in such agreement.

1.60 Rate Methodology shall mean the formulas, methods and calculations used to derive Rates and Charges, as such are adopted by the Authority from time to time and set forth in a rate book or rate package that is delivered to Airlines, published or otherwise made available for review each year, but exclusive of any tables or other attachments thereto.

1.61 Rates and Charges shall have the meaning set forth in Section 7.1 below.

1.62 Rentable Space with respect to the Terminal shall mean the areas in the Terminal that are rentable to tenants, including office and administrative space used by the Authority, but specifically excluding Public Space, FIS Space and Hotel space; as such may be determined from time to time by the Authority. Untenable areas committed for leasing to a future tenant when renovated shall not be considered rentable during the period of such commitment until the lease period commences.

1.63 Resolution shall mean this resolution, including the Rate Methodology and resulting Rates and Charges incorporated herein, as modified, amended or replaced by the Authority from time to time.

1.64 Revenue Landing shall mean any aircraft landing by an Airline at the Airport for which such Airline receives revenue.

1.65 Revenues shall mean income received or accrued by the Authority in accordance with generally accepted accounting principles, including investment earnings, from or in connection with the ownership or operation of the Airport or any part thereof, or the leasing or use thereof; provided, however, Revenues shall specifically exclude: (a) gifts, grants and other funds which are restricted by their terms to purposes inconsistent with the payment of general O&M Expenses, Operating Reserves or payment of Debt Service; (b) insurance proceeds; (c) any gain from the sale, exchange or other disposition of real property of the Airport, (d) any unrealized gains on securities held for investment by or on behalf of the Authority; (e) any gains resulting from changes in valuation of any Swap; (f) any unrealized gains from the reappraisal or revaluation of assets; (g) the proceeds of debt; (h) Passenger Facility Charges and the interest earned therefrom, (i) customer facility charges and interest earned therefrom; (j) investment income derived from any moneys or securities placed in escrow or trust to defease Debt Service; (k) any arbitrage earnings which are required to be paid to the United States of America pursuant to Section 148 of the Code; (l) any exclusions from the definition of Revenues in the Bond Resolution, (m) Available PFC Revenues (as defined in the Bond Resolution) whether applied to Debt Service, or deposited into the PFC Fund, and (n) interest earnings or other investment earnings on any account in the construction fund established by any supplement to the Bond Resolution unless otherwise provided in such supplement.

1.66 Subordinated Indebtedness shall mean any bonds or other financing instrument or obligation subordinate to the Bonds, issued pursuant to any Subordinated Bond Resolution.

1.67 Subordinated Bond Resolution shall mean a bond resolution, indenture or related document granting a pledge subordinate to the pledge granted by the Bond Resolution, and authorizing the issuance by the Authority of Subordinated Indebtedness, as such may be supplemented or amended from time to time.

1.68 Substantial Completion shall mean the date on which the Authority's architects and/or engineers certify any premises at the Airport to be substantially complete as to permit use and occupancy sufficient for its intended use.

1.69 Terminal or Terminal Cost Center shall mean all passenger terminal buildings, including all landside and airside passenger terminal facilities, and, to the degree appropriate, access roadways, tunnels, sidewalks and people mover systems used to access the terminals, as such may be designated from time to time by the Authority.

1.70 Terminal Aprons shall mean those areas of the Airport surrounding the Terminal that are designated for the parking, including overnight parking and remote parking, of passenger aircraft, support vehicles and equipment, the loading and unloading of passenger aircraft, and taxi lanes for circulation.

1.71 Terminal Premises Rate shall be the amount per square foot payable by the Airlines for the use or occupancy by the Airlines of Committed Premises and other Exclusive Use Premises, as designated from time to time by the Authority based on calculations using the Rate Methodology.

1.72 Transition Period shall have the meaning set forth in Section 3.2 below.

1.73 TSA shall mean the Transportation Security Administration of the Department of Homeland Security, or any successor.

Additional words and phrases used but not defined herein shall have the meanings as defined under the Bond Resolution or, if not so set forth, shall have their usual and customary meaning.

ARTICLE 2

EFFECTIVE DATE AND LETTERS OF AUTHORIZATION

2.1 Effective Date. This Resolution, along with the determination of Rates and Charges set forth herein, shall be effective for the first Fiscal Year beginning on or after the Effective Date, shall supersede the Resolution dated October 16, 2013 (the "Prior Rate Resolution") as of the Effective Date, and shall continue in effect until modified, amended or terminated by the Authority. The Prior Rate Resolution shall terminate and be of no further force and effect for Fiscal Years beginning on or after the Effective Date, but shall remain in effect as to Fiscal Years ending prior to the Effective Date, including for purposes of any payments, adjustments or true-ups calculated or implemented after the Effective Date, but applicable to Fiscal Years ending prior to the Effective Date.

2.2 Letters of Authorization. At the Effective Date, any and all Letters of Authorization between Airlines and the Authority for the use of particular Terminal facilities at the Airport shall terminate and be of no further force and effect, except that (a) any obligations of payment by either an Airline or the Authority to the other under such Letters of Authorization, and (b) any other obligations intended to survive termination pursuant to the terms of such Letters of Authorization or the Prior Rate Resolution, shall survive termination until such obligations have been satisfied.

ARTICLE 3

APPLICABILITY OF RESOLUTION

This Resolution shall apply to all Airlines operating at the Airport and/or making use of the Airfield or Terminal at the Airport, whether or not such Airline specifically agrees in writing to the terms hereof. All Airlines operating at the Airport are expected to sign and deliver to the Authority either a Letter of Authorization or an Operating Permit prior to the Effective Date of this Resolution or prior to commencement of operations at the Airport. In any event, use of the Airfield or Terminal by an Airline in connection with its operations shall constitute the agreement by such Airline with the terms and conditions hereof, including, in particular, the Rate Methodology and the Rates and Charges described or authorized herein.

ARTICLE 4 TERMINAL PREMISES

4.1 Use and Occupancy of Terminal Premises.

(a) Unless an Airline enters into a Letter of Authorization for Committed Premises, Airlines shall use such Terminal space, facilities and equipment (e.g. gates, holdrooms, ticket counters and corresponding queue space, bag make up, administrative offices, club space, ramp operations and crew base facilities) as shall be assigned to them from time to time by the Authority. Use of particular Baggage System equipment (e.g. bag claim devices) shall be assigned by the Authority to Airlines from time to time based on operational efficiencies and Airline needs. All such assignments shall be made by the Authority after consultation with, or receipt of information from, an Airline regarding such Airline's anticipated space, facilities and equipment needs, or, in the absence of any consultation or receipt of information, after a reasonable evaluation and estimation by the Authority of such Airline's anticipated space, facilities and equipment needs.

(b) Except as set forth in Section 4.2 below with respect to International Gates, or as otherwise set forth herein, Airlines assigned specific Committed Premises pursuant to a Letter of Authorization shall be entitled to the exclusive or preferential use of such Committed Premises, as applicable, for the applicable term set forth in such Letter of Authorization.

(c) At such time as (i) the Airline Premises are, in the reasonable discretion of the Executive Director, insufficient to support an Airline's operations, (including operations of an Identified Affiliate), as evidenced by actual use or occupancy by such Airline of space, facilities or equipment not assigned to such Airline, either under a Letter of Authorization or on a Per Turn basis, and such Airline fails to promptly and permanently vacate use or occupancy of such unassigned space, facilities or equipment following notice from the Authority to vacate such premises, or (ii) use of the Airline Premises exceeds the legal capacity for such space, facilities or equipment, then in either such event, the Authority shall be entitled to assign and charge to such Airline on a Per Turn basis additional space, facilities or equipment actually used by such Airline, on a retroactive basis, or reasonably sufficient for such Airline's needs, on a prospective basis. Alternatively, such Airline may commit to occupy and use such space, facilities or equipment in accordance with a Letter of Authorization.

(d) Each Airline shall accept the Airline Premises assigned to it, "as is". The Authority shall have no obligation to do any work on, or make any improvements to or with respect to, the Airline Premises or the condition thereof, unless otherwise specifically agreed to by the Authority.

(e) The Authority may (i) make changes in the Airport boundaries, the categories of space (e.g. Public Space to Rentable Space) or the configuration or amount of space, and (ii) identify new, destroyed, demolished, untenable, decommissioned or re-commissioned facilities or space. If any such event impacts the Rentable Space or configuration

of the particular Committed Premises assigned to an Airline, the Authority may, in its reasonable discretion, amend any applicable Letters of Authorization, or exhibits thereto, to reflect such changes in Committed Premises, and, upon notice to the affected Airline, such amended Letter of Authorization or exhibits shall replace any prior Letter of Authorization or exhibits; provided, however, that Rates and Charges for any resulting changes in Committed Premises hereunder may not be increased by any material amount (e.g. 15% or greater) without the agreement of the affected Airline.

(f) The Authority may, from time to time, establish minimum or maximum space, facilities and/or equipment usage requirements pursuant to Authority Policies and Procedures. For example, Airlines desiring to use a gate and holdroom on either a Per Turn basis or pursuant to a Letter of Authorization may be assigned a corresponding minimum amount of ticket counter and related queue space.

4.2 International Gates.

(a) Because of the limited number of gates available to be used for incoming international flights bringing passengers that must be processed or cleared through the FIS ("International Gates"), an Airline that includes an International Gate and holdroom as part of its Committed Space will receive preferential occupancy and use for scheduled flights of one or more International Gates, as assigned from time to time by the Authority, but not preferential occupancy and use of any particular International Gate.

(b) All flights of an Airline that has included one International Gate as part of its Committed Premises shall be considered to have used, and shall be charged as if it used, a single International Gate as part of its Committed Premises, even if such flights are assigned by the Authority to different International Gates, but only if such flights using International Gates do not have overlapping dwell times (i.e., such flights could have used the same International Gate if they were assigned by the Authority to the same International Gate). If any flights of an Airline that has included one International Gate as part of its Committed Premises have overlapping dwell times at International Gates, only one of such flights shall be deemed to have used, and shall be charged as if it used, an International Gate as part of its Committed Premises, and the other overlapping flights shall be charged a Facility Fee for use of an International Gate on a Per Turn basis. An Airline that includes two International Gates as part of its Committed Premises may have up to two flights with overlapping dwell times charged as if it used two International Gates as part of its Committed Premises.

(c) Dwell time and excess dwell time charges shall apply to International Gates included as part of an Airline's Committed Premises, as set forth in the Authority Policies and Procedures. Overnight parking locations at International Gates shall be assigned by the Authority, with Airlines that have included an International Gate as part of its Committed Premises entitled, at no additional cost, to one assigned overnight parking location at an International Gate or a remote overnight location for each International Gate included as part of Committed Premises. The time when an aircraft may begin and a time when an aircraft must end

overnight parking at an International Gate shall be established from time to time by Authority Policies and Procedures.

4.3 Letters of Authorization.

(a) Letters of Authorization may be signed by an Airline at any time in order to classify Airline Premises as Committed Premises, but shall not be effective until signed by the Authority. Letters of Authorization may be for any duration of three (3) months or longer, and may expire at the end of any month; provided that Letters of Authorization for Preferential Use Premises may only expire at the end of a Fiscal Year.

(b) Airlines beginning operations at the Airport may be granted by Authority Policies and Procedures a period of time following the commencement of operations to sign a Letter of Authorization having an effective date retroactive to the date operations commenced.

(c) The Authority may assign to an Airline the right to use or occupy another Airline's (the "Committed Airline") Preferential Use Premises, but only if such Preferential Use Premises is not scheduled for use by the Committed Airline. The Committed Airline shall not be entitled to any Rates and Charges or other fees paid by the Airline using its Preferential Use Premises on account of such use.

(d) Letters of Authorization may not be signed for, and Committed Premises may not include, any portion of the Baggage System, which shall be assigned by the Authority from time to time based on operational considerations and shall be paid for by the Airlines using the Baggage System in accordance with the Common Use Baggage Charges.

4.4 Transfer of Operations.

(a) In the event new or expanded facilities are developed at the Airport, and the Authority either agrees, or determines under Section 4.4(b), to relocate an Airline's Committed Premises, in whole or in part, to the new or expanded facilities, the Authority shall give notice to such Airline of the estimated Substantial Completion date at least ninety (90) days prior thereto. A relocated Airline may install in its Committed Premises in such new or expanded facilities, its own equipment and furnishings, subject to the Authority Policies and Procedures, at a time reasonably determined by the Authority to satisfy construction schedules, which time will not be less than forty five (45) days prior to the estimated date of Substantial Completion. Such Airline shall begin its operations from any new or expanded Committed Premises on the date of Substantial Completion thereof, unless otherwise directed by the Authority.

(b) (i) The Authority may at any time, and from time to time, permanently relocate an Airline's Committed Premises to alternative Terminal locations and facilities if the Authority determines that such relocation is required (1) to accommodate a new Airline, (2) to make available sufficient contiguous space to accommodate the expansion or growth of another Airline, (3) as a result of the destruction of Committed Premises as described

in Section 10.2 or 10.3 below, or (4) to utilize Airport Terminal facilities in a fair and efficient manner; provided that (A) the Authority will provide any affected Airline at least sixty (60) days advance notice of such relocation, except that shorter notice may be provided when circumstances dictate (e.g. an emergency situation), (B) except as described below, the Authority will reimburse the reasonable out of pocket costs incurred by such Airline to complete such relocation (including, without limitation, all installation costs), and (C) the new Committed Premises shall be comparable in size (e.g. 30 feet of linear counter space to approximately 30 feet of linear counter space) and character (e.g. 2 gates to 2 gates), though not necessarily identical or comparable in square footage, quality, appearance, layout or appointments, to the Committed Premises being vacated. The Authority shall have no obligation to reimburse an Airline for costs incurred by such Airline to relocate such Airline's Committed Premises, if such relocation was requested by Airline or determined by the Authority as being necessary, in the reasonable judgment of the Authority, to accommodate such Airline's expansion or growth.

(ii) The Authority may at any time, and from time to time, temporarily relocate an Airline's Committed Premises to alternative Terminal locations and facilities to accommodate any damage to such Committed Premises as described in Section 10.2 below or any Authority construction or renovation project affecting the use of such Committed Premises; provided, that (1) the Authority will provide any affected Airline, to the extent possible, at least ninety (90) days advance notice of such relocation, and (2) the Authority will reimburse the reasonable out of pocket costs incurred by such Airline to complete such relocation and to return to the renovated or repaired Committed Premises.

(c) An Airline may request in writing that the Authority relocate any Airline Premises, which request may be accepted or denied by the Authority in its exclusive discretion. An Airline shall pay all costs of any relocation requested by an Airline, including any costs necessary to relocate another Airline in order to accommodate the requesting Airline's relocation.

(d) No relocation of Airline Premises, either temporarily or permanently, shall have any effect on Airline's obligation to pay Rates and Charges herein, except for any change caused by a difference in the total Rentable Space for Committed Premises assigned under a Letter of Authorization. If an Airline's cost increases by a material amount (i.e. 15% or more) as a result of an unrequested relocation of Committed Premises, such Airline may, within thirty (30) days after such relocation, terminate the portion of the Letter of Authorization relating to such new Committed Premises.

(e) No Airline shall have any continuing use or occupancy rights in any assigned Airline Premises not covered by a Letter of Authorization, and the Authority may reassign such Airline Premises at any time, and from time to time, in its exclusive discretion.

4.5 Terminal Equipment. Terminal equipment owned or acquired by the Authority for use by Airlines shall remain the property, and under the control, of the Authority.

ARTICLE 5

USE OF THE AIRPORT AND RELATED FACILITIES

5.1 Permitted Airline Activities. Each Airline may, subject to its compliance with this Resolution and Authority Policies and Procedures, use, in common with others so authorized by the Authority, all Airline Premises, including related space, facilities, equipment, Public Space, the Airfield and Terminal Aprons for the operation of each Airline's Air Transportation Business and all activities reasonably necessary to such operations, including but not limited to:

(a) The landing, taking off, flying over, taxiing and towing of aircraft and, in areas designated or approved by the Authority, the extended parking, servicing, deicing, loading or unloading, storage, or maintenance of aircraft and support equipment subject to Sections 5.1(f), 5.1(g), and 5.2(c) below and to the availability of space; provided, however, an Airline may not permit the use of the Airfield by any aircraft operated or controlled by such Airline which exceeds the design strength or capability of the Airfield as described in the then-current FAA approved Airport Layout Plan or other engineering evaluations performed subsequent thereto, including the then-current Airport Certification Manual.

(b) The sale of air transportation tickets and services, the processing of passengers and their baggage for air travel, the sale, handling, and providing of mail, freight, cargo and express services, and reasonable and customary airline activities.

(c) The training of employees or prospective employees and the testing of aircraft and other equipment being utilized at the Airport in areas designated or approved by the Authority; provided, however, such training and testing must be incidental to the use of the Airport in the operation by such Airline of its Air Transportation Business and shall not unreasonably hamper or interfere with the use of the Airport and its facilities by others. The Authority may restrict or prohibit any such training and testing operations that it deems to interfere with the use of the Airport.

(d) The sale, disposition, or exchange of aircraft, engines, accessories, gasoline, oil, grease, lubricants, fuel, or other similar equipment or supplies; provided, however, an Airline may not, and must cause its agents not to, sell or permit to be sold aviation fuels or propellants except (i) to any Airline that is a successor company to the selling Airline, (ii) for use in aircraft of others that are being used solely in the operation of selling Airline's Air Transportation Business, including, but not limited to, such Airline's Affiliates, (iii) when a comparable grade and type of fuel desired by others is not available at the Airport except from the selling Airline, or (iv) in accordance with sales of fuel through the Airport's fuel hydrant system, to the extent the Authority has authorized by an agreement one or more Airlines or an entity owned by one or more Airline to operate the fuel flowage systems at the Airport.

(e) The purchase at the Airport or elsewhere, of fuels, lubricants, and any other supplies and services, from any person or company, subject to Section 5.1(d) and to the Authority's right to require that each provider of services and/or supplies secures a permit from the Authority to conduct such activity at the Airport, pays required fees, and abides by all

reasonable rules and regulations established by the Authority. Nothing herein shall be construed to permit an Airline to store aviation fuels at the Airport. The granting of the right to store and dispense aviation fuels shall be subject to the execution of a separate agreement between an Airline and the Authority. Fuel tenders are prohibited on Terminal Aprons serviced by the fuel hydrant system.

(f) The servicing of aircraft and other equipment being utilized at the Airport on the Terminal Aprons or such other locations as may be designated by the Authority Policies and Procedures; provided that routine servicing or maintenance of ground equipment on Terminal Aprons is not permitted, unless specifically authorized by the Authority.

(g) The loading and unloading of persons, property, cargo, parcels and mail by motor vehicles or other means of conveyance reasonably approved by the Authority on Terminal Aprons or such other locations as may be designated by the Authority Policies and Procedures; provided an Airline shall not use Terminal Aprons immediately adjacent to the Terminal to load or unload all-cargo aircraft unless otherwise authorized in writing by the Authority.

(h) The provision, either alone or in conjunction with others, or through a nominee, of porter/skycap service for the convenience of the public.

(i) The installation and maintenance of identifying signs in an Airline's Committed Premises; provided that any permanent signage may not be installed in any Preferential Use Premises or in any space used on a Per Turn basis without the prior consent of the Authority, which may be withheld in the Authority's exclusive discretion. All signage shall be subject to the Authority Policies and Procedures. Furthermore, the general type and design of such signs shall be compatible with and not detract from the pattern and decor of the Terminal areas, in the exclusive discretion of the Authority. Subject to the foregoing, Airlines may install on the walls behind ticket counters or in holdrooms, whether occupied in accordance with a Letter of Authorization or used on a Per Turn basis, temporary signage on Authority provided LCD monitors identifying such Airline, displaying such Airline's company logo or other content, subject to the approval of the Authority; provided that any such installation must be performed in accordance with the Authority Policies and Procedures.

(j) The installation, maintenance, and operation of such radio communication, company telephone system, computer, meteorological and aerial navigation equipment and facilities on Committed Premises as may be necessary or convenient for the operation of an Airline's Air Transportation Business; provided, however, that (i) such installations and the subsequent use of such equipment shall be subject to applicable law, regulation and the Authority Policies and Procedures, including Section 5.2(g) below, (ii) the location of all such equipment and facilities shall be determined by the Authority in its exclusive discretion, (iii) the Authority's telephone system must be used in all locations other than Exclusive Use Premises, and (iv) any use of wireless communications systems not provided by the Authority shall not interfere with any the Authority wireless communications system. Subject to Authority Policies and Procedures, an Airline may install in the holdroom of any Committed Premises such

Airline's Gate Information Display System (GIDS). The Authority shall have unrestricted access to all communication equipment owned or used by an Airline and located on Airline Premises, if any of the Authority equipment or systems interfaces with such equipment. Prior to any such installation, an Airline shall provide the Executive Director with all necessary supporting documentation related to such installations. All Airlines are required to use the Authority's compatible multi-user flight information display systems (MUFIDS); provided that an Airline may install and maintain its own MUFIDS if it is compatible in all material respects, in the exclusive discretion of the Authority, with the Authority's MUFIDS.

(k) Such rights of way as may reasonably be required by an Airline for communications, computer equipment, telephone, interphone, conveyor systems and power, and other transmission lines in Airline's Committed Premises, subject to the availability of space and/or ground areas as determined by Authority Policies and Procedures. The Authority may require the execution of a separate agreement between the Authority and an Airline for the lease and use of space and/or ground area outside Terminal areas or for the provision of such service directly to an Airline.

(l) The installation of personal property, including furniture, furnishings, supplies, machinery, and equipment, in an Airline's Exclusive Use Premises and, subject to prior approval by the Authority, Preferential Use Premises, as such Airline may deem necessary, useful or prudent for the operation of its Air Transportation Business. Title to such personal property shall remain with such Airline, except as otherwise provided herein.

(m) The construction of modifications, finishes and improvements in an Airline's Exclusive Use Premises and, subject to the prior approval of the Authority, Preferential Use Premises as such Airline may deem necessary or prudent for the operation of its Air Transportation Business, subject to the Authority Policies and Procedures and subject to Article 9.

(n) An Airline shall have rights of ingress to and egress from the Airport and its Airline Premises for its Airline's officers, employees, agents, and invitees, including passengers, suppliers of materials, furnishers of services, aircraft, equipment, vehicles, machinery and other property, subject to 49 CFR Part 1542, the airport security program, applicable laws, and any Authority Policies and Procedures governing (i) the general public, including passengers, (ii) access to non-public areas at the Airport by an Airline's employees, suppliers of materials, and furnishers of services, or (iii) safety and security. In addition to the foregoing, the Authority may at any time, temporarily or permanently, close, re-route, or consent to or request the closing or re-routing of any roadway or access to the Airport, so long as a means of ingress to and egress from the Airport and the Airline Premises is concurrently made available to each Airline. Each Airline hereby releases and discharges the Authority from any and all claims, demands, or causes of action which each such Airline may now or at any time hereafter have arising or alleged to arise out of such a closing or re-routing. The Authority shall have no liability or obligation to an Airline for temporary blockages or closings of means of ingress to or egress from the Airport and the Airline Premises caused by factors beyond the reasonable control of the Authority.

(o) Subject to any restrictions in the Authority's agreements with its food and beverage concessionaires, nothing in this paragraph shall prohibit an Airline from (i) providing food and beverages, at such Airline's sole cost and expense, or installing or maintaining vending machines or credit union automated teller machines in its non-public Exclusive Use Premises or, subject to the prior approval of the Authority, its non-public Preferential Use Premises, for the sole use of such Airline's employees, the type, kind, and locations of such machines being subject to the Authority Policies and Procedures, (ii) providing, under a separate agreement with the Authority and subject to the Authority Policies and Procedures, including the payment of fees based on gross receipts, for its own flight kitchen or for catering services to its passengers and crews for consumption aboard aircraft, (iii) entering into a separate agreement if required by the Authority for the distribution, without charge, of food and beverage in a non-public "VIP room" or similar private club at the Airport, or (iv) selling food and beverages, including alcoholic beverages, to VIP room or private club members or paid invitees in such Committed Premises, subject to the payment to the Authority of a percentage of sales (including access fees) as determined by Authority Policies and Procedures. Airlines may not conduct or permit the sale of food or beverages to passengers in holdroom areas.

(p) An Airline may exercise on behalf of any other Airline that has signed a Letter of Authorization or Operating Permit in favor of the Authority any of the activities permitted herein, so long as such Airline is concurrently performing the same activities in the operation of its own Air Transportation Business at the Airport, subject to the Authority's Policies and Procedures. Any Airline providing services to another Airline shall provide notice thereof to the Authority in advance of commencing such services.

(q) An Airline may only enter into revenue generating agreements, such as for advertising or sponsorship, in its non-public Exclusive Use Premises (e.g. airline clubs and VIP rooms), and shall not enter into any such revenue generating agreements anywhere else within the Terminal.

5.2 Prohibited Activities and Authority Activities.

(a) Airlines are prohibited from conducting any business or engaging in any activities at the Airport other than the conduct of its Air Transportation Business, except as otherwise permitted herein or by the Authority in writing.

(b) Airlines shall not knowingly interfere or permit interference by its employees, contractors, agents, permittees, and invitees with the use, operation, or maintenance of the Airport, including but not limited to, the effectiveness or accessibility of the drainage, sewage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at the Airport; and Airlines shall not engage in any activity prohibited by the Authority's approved FAR Part 150 Noise Compatibility Study, as may be amended or supplemented from time to time.

(c) As soon as reasonably possible after an Airline's disabled aircraft is released from the control or jurisdiction of all applicable authorities, an Airline shall remove any

such disabled aircraft from the Airfield and Terminal Aprons, shall place any such disabled aircraft only in such storage areas as may be reasonably approved by Authority Policies and Procedures, and shall store such disabled aircraft only upon such terms and conditions as may be established by the Authority. In the event a disabled aircraft is not removed as expeditiously as is reasonably possible, the Authority may, but shall not be obligated to, cause the removal of such disabled aircraft. In such case, the owner of such aircraft shall pay to the Authority, upon receipt of an invoice therefor, the costs incurred for such removal plus ten percent (10%).

(d) Airlines shall not do or permit to be done anything, either by act or failure to act, that shall cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that shall cause a hazardous condition so as to increase the risks normally attendant upon operations permitted at an airport. If an Airline shall do or permit to be done any act not permitted hereunder, or fail to do any act required hereunder, which act or failure, in and of itself, or in combination with other acts or failures of the Airline, causes an increase in the Authority's insurance premiums, such Airline shall immediately remedy such actions and/or pay the increase in premiums, upon notice from the Authority to do so.

(e) An Airline shall not maintain or operate in the Terminal or elsewhere at the Airport a cafeteria, restaurant, bar, or cocktail lounge for the purpose of selling food and beverages to the public or to its employees and passengers, except as permitted herein or by Authority Policies and Procedures.

(f) The Authority may, at its sole option, install or cause to be installed advertising and revenue generating devices or concessions, including vending machines and power poles, anywhere in the Airport other than an Airline's Exclusive Use Premises; provided, however, that any advertising in an Airline's Preferential Use Premises shall not promote competing Airlines, power poles will only be installed in holdrooms assigned to an Airline as Preferential Use Premises with such Airline's prior consent, and such installations shall not unreasonably interfere with such Airline's operations authorized hereunder or diminish the square footage contained in Committed Premises in a material way. The Authority may also, at its sole option, install business center and other amenities in any part of the Terminal, excluding Exclusive Use Premises. The Authority shall be entitled to access Airline Premises to install or service power poles, vending machines and other amenities.

(g) The Authority may install anywhere in the Terminal, and require use of, a Common Use Passenger Processing System (CUPPS), Common Use Self-Service (CUSS) equipment, Common Use Terminal Equipment (CUTE) and/or other equipment designed to facilitate the handling and processing of passengers and baggage in the Terminal. The Authority shall be entitled to reasonable access upon Committed Premises to install and maintain such hardware/software for any of such equipment.

(h) The Authority may, for a fee established by the Authority from time to time, make area(s) at the Airport available for vehicular parking and provide transportation to the Terminal for Airline personnel employed at the Airport; provided, however, such area(s) shall

not be used for the storage of vehicles or trailers, and usage of the area(s) is subject to Authority Policies and Procedures.

(i) All activities of an Airline permitted hereunder, and in particular this Article 5, shall be subject to Authority Policies and Procedures.

5.3 Affiliates. Upon written request by an Airline to the Authority, and provided the requirements of this Section are satisfied, any Affiliate of such Airline identified in such written request ("Identified Affiliate") may use the Airline Premises assigned to such Airline, provided the Identified Affiliate shall pay the applicable Rates and Charges for such Airline Premises (a) for as long as the Identified Affiliate remains an Affiliate of such Airline, and (b) only if the Identified Affiliate enters into an Operating Permit or Letter of Authorization for operations at the Airport. Each Airline making such written request shall be deemed to have agreed to guaranty full payment of all Rates and Charges incurred by its Identified Affiliates at the Airport. The Authority may invoice an Airline and its Identified Affiliates separately for amounts owed hereunder, or may invoice an Airline for the aggregate amounts owed by such Airline and its Identified Affiliates hereunder. Each Airline shall be responsible to pay any and all unpaid Rates and Charges of any Identified Affiliate for which it receives an invoice or, if an Airline does not receive an invoice with the Identified Affiliate's Rates and Charges, a notice of non-payment by the Identified Affiliate issued by the Authority, which payment by the Airline shall be made on the due date of such invoice or within fifteen (15) days after receipt of the notice of non-payment, whichever applies, and any failure of an Identified Affiliate to pay such amounts when due shall be deemed a failure of such Airline. An Airline may, at any time, give the Authority at least thirty (30) days prior written notice that an Affiliate shall no longer be considered an Identified Affiliate of such Airline, and such Airline shall have no responsibility for any Rates and Charges incurred by the Affiliate after the conclusion of such notice period, but shall remain liable for Rates and Charges incurred by the Affiliate prior to the conclusion of such notice period.

5.4 Airline Requirements.

(a) Each Airline shall hold all certificates, permits, licenses, insurance or other entitlements required by federal, state or local laws, rules, or regulations in order to enable it to conduct its operations and engage in the Air Transportation Business at the Airport, and that said certificates, permits, licenses or other entitlements are and will be kept current, valid and complete throughout the duration of Airline's operations at the Airport.

(b) Each Airline shall, at its sole cost and expense, comply, and cause its employees, agents, contractors, licensees and invitees to comply, with all present and future applicable laws, rules or regulations of all applicable federal, state and local governmental or quasi-governmental authorities, subdivisions, departments, agencies and the like, including the Authority Policies and Procedures. Each Airline shall obtain any permits necessary to occupy the Airline Premises and shall promptly pay all fines, penalties, and expenses to remedy or correct any violations of applicable laws, and damages that may arise out of or be imposed because of its failure to comply with the provisions of this paragraph.

(c) Each Airline shall faithfully observe and comply with any Authority Policies and Procedures.

(d) Except as otherwise provided herein or in the Authority Policies and Procedures, each Airline shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice for its operations at the Airport, provided that the Authority may license and regulate all persons or companies doing business on the Airport and impose charges for the privilege of conducting any such business and prohibit persons from engaging in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport, except in accordance with agreements, concession contracts, permits or operating agreements entered into between the Authority and such persons. Notwithstanding any Authority Policies and Procedures to the contrary, a service provider properly operating at the Airport shall not be required to pay the Authority a percentage of revenues received in connection with the performance of services (e.g. ground handling) for any Airline or its Identified Affiliate, while such Airline is party to a Rate and Revenue Sharing Agreement and is not in breach thereof. (Please see Section 15.2 for an exclusion from the requirement to pay fees to the Authority for ground handling and other services provided by an Airline.)

(e) Each Airline shall comply with all applicable state and federal regulations relating to Airport security and shall control its Airline Premises so as to prevent or deter unauthorized persons from obtaining access to the air operations area or any other secure area of the Airport. Each Airline shall also take such security precautions, with respect to its Airline Premises and the Airline's operations and service personnel related thereto, as the Authority may, from time to time, reasonably require pursuant to the Authority Policies and Procedures. Each Airline shall reimburse the Authority for all fines or charges imposed by any applicable governmental authority against the Authority as a result of such Airline's violation of any laws, rules and regulations promulgated by such governmental authority.

(f) Each Airline acknowledges that a portion of the Airline Premises is to be used by the traveling public. Each Airline shall make available such space to its passengers and to the traveling public on a nondiscriminatory basis, including ensuring accessible paths of travel for disabled persons, and shall make reasonable efforts to coordinate its activities and operations with abutting tenants and the Authority, so as to maximize efficient use of available space.

(g) No Airline may injure, deface or otherwise harm their respective Airline Premises in any manner that will constitute waste, and shall not cause or permit any unlawful conduct, unreasonable annoyance or nuisance to exist on the Airline Premises, nor permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance or nuisance, nor permit the emission of any objectionable noise, vibration or odor, nor overload the floor of the Airline Premises, nor permit any use of the Airline Premises which will invalidate or increase the premiums on any of the Authority's insurance; provided that the conduct of the Airline's Air Transportation Business in accordance with applicable law shall not be deemed a nuisance or an unreasonable annoyance.

(h) Each Airline shall participate in any lawful Airport-wide programs or initiatives of general applicability as the Authority may require upon notice to such Airline, provided such program or initiative shall not result in any material cost or expense or result in any undue burden to such Airline.

ARTICLE 6 OPERATION AND MAINTENANCE OF THE AIRPORT

6.1 Designation of Operation and Maintenance Responsibilities. In addition to the obligations of the Airlines set forth in this Article 6, each Airline shall have those responsibilities for maintenance, cleaning, and operation of the Airport as shall be set forth in the Authority Policies and Procedures. The Airlines shall each timely perform all such obligations.

6.2 Airline Obligations.

(a) Each Airline shall, at all times, preserve and keep its Airline Premises, including loading bridges and related equipment, in an orderly, clean, neat, and sanitary condition, free from trash and debris resulting from such Airline's operations.

(b) Each Airline shall keep, at its own expense, its assigned Terminal Apron space free of fuel, oil, debris, and other foreign objects.

(c) Each Airline shall operate and maintain, at its own expense, any improvements and/or equipment installed by such Airline for the exclusive use of such Airline or its passengers.

(d) Each Airline shall perform such other routine operational and maintenance responsibilities with respect to its Airline Premises or assigned Terminal Apron space as may be established from time to time by the Authority Policies and Procedures.

(e) No Airline may store any obsolete or derelict equipment on any Airline Premises, and shall promptly remove any such equipment.

(f) Should an Airline fail to perform any of its material obligations hereunder, or if the Authority is requested, or, in order to maintain the Airport as a first class facility, deems it necessary, to make repairs or otherwise maintain an Airline's Airline Premises, the Authority shall have the right to enter the Airline Premises and perform such activities; provided, however, other than in a case of emergency, the Authority shall give Airline ten (10) business days advance written notice of non-compliance, prior to the exercise of this right. If the Authority has performed services in accordance with this paragraph, the Airline shall pay the Authority, upon receipt of an invoice, the cost of such services plus ten percent (10%).

ARTICLE 7

RENTALS, FEES, AND CHARGES

7.1 Rate Methodology, Rates and Charges.

(a) Each Airline shall pay to the Authority for the use and occupancy of the Airfield, Terminal Apron, and Terminal all fees, tariffs, costs, rates and charges ("Rates and Charges") established for each Fiscal Year by the Authority, including, but not limited to: Landing Fees, monthly charges for Committed Premises and other assigned Exclusive Use Premises, Facility Fees, FIS Fees, Airline Equipment Charges, Apron Use Fees and Common Use Baggage Charges. Notice of such Rates and Charges shall be provided to the Airlines or otherwise published or made available by the Authority prior to the start of each Fiscal Year. The Rate Methodology shall be provided to an Airline upon request. The Rate Methodology used to calculate Rates and Charges each year, and the Rates and Charges established in accordance with the Rate Methodology, and any additional, ancillary Rates and Charges that are imposed in accordance with the terms hereof or the Authority's Policies and Procedures, but not determined in accordance with the Rate Methodology (e.g. phone system charges, parking charges and identification badges), shall be incorporated herein and shall be a part of this Resolution for all purposes. The Authority does not guaranty the accuracy of any estimates, projections, assumptions or results in the tables and other attachments to the Rate Methodology, which are provided with the Rate Methodology merely for illustration purposes.

(b) The specific Rates and Charges payable by Airlines during a Fiscal Year shall be calculated using the Rate Methodology based on estimates by the Authority of projected costs and Airline activity for the Fiscal Year. Airlines shall pay such estimated Rates and Charges in accordance with the payment provisions in Section 7.5 below.

(c) Within thirty (30) days after the Authority Board has accepted the audit for a Fiscal Year, the Authority shall recalculate Rates and Charges for such Fiscal Year based on actual costs and Airline activity, and provide notice to each Airline operating at the Airport during that Fiscal Year of the total actual Rates and Charges owed for such Fiscal Year, as compared to the Rates and Charges paid ("True-Up"). If an Airline has paid more Rates and Charges than was determined to be due following the True-Up, the Authority shall pay such excess to such Airline, minus any amounts that may be otherwise owed to the Authority by such Airline, within thirty (30) days after the True-Up calculation is complete. If an Airline has paid less Rates and Charges than was determined to be due following the True-Up, such Airline shall pay such shortfall to the Authority within thirty (30) days after receipt of an invoice for such shortfall amount from the Authority, or the Authority may, in its discretion, recover such underpayment by offsetting such amount from any revenue sharing or other payments owed by the Authority to the affected Airline; provided, however, that any such offset shall not eliminate Airline's right to object to the Authority's determination of the amount owed by Airline.

(d) Rates and Charges for Committed Premises and for Exclusive Use Premises that are not Committed Premises are based on the Terminal Premises Rates for such

Committed Premises and Exclusive Use Premises, regardless of an Airline's frequency or volume of use of such Committed Premises and Exclusive Use Premises (e.g. one monthly charge for a gate/holdroom area or for an administrative office). Rates and Charges for other Airline Premises, including the Baggage System, are based on the frequency or volume of an Airline's use of such Airline Premises (e.g. a Per Turn Facility Fee for Common Use Premises other than the Baggage System, such as a gate/holdroom). All Rates and Charges shall be determined in accordance with the Rate Methodology, or as described herein (e.g. see Section 7.3 below)..

7.2 Extraordinary Service Charges. Each Airline shall pay the Authority for additional equipment and services provided by the Authority for such Airline's use (e.g., club room finishes, or any other systems or equipment that are unique or special to such Airline's operation). The charges for equipment and services purchased and/or provided by the Authority, as referred to above, shall be as set forth in a separate agreement between the Airline and the Authority.

7.3 Other Fees and Charges.

(a) Each Airline shall also pay the following Rates and Charges, each as established from time to time by the Authority, which amounts, when allocated, shall be allocated to and between Cost Centers deemed most appropriate in the reasonable discretion of the Authority:

(i) Fees for services provided by an Airline for another Airline, if such services or concessions would otherwise be available from a concessionaire or licensee of the Authority; provided, however, that no fees shall be collected in connection with services provided by an Airline to Airline's Identified Affiliates, to an Airline by its Identified Affiliates, or if the exemptions described in Sections 5.4(d) or 15.2 apply.

(ii) Fees for services, equipment or facilities not otherwise enumerated in this Resolution (including the Rate Methodology), but provided by the Authority or its contractors and utilized by an Airline, including, but not limited to, fees and charges for special maintenance of Airline Premises or mechanical lifts.

(iii) All costs, charges or expenses for the provision of any services or facilities which the Authority is required or mandated to provide by any governmental entity (other than the Authority acting within its proprietary capacity) having jurisdiction over the Airport.

(b) The Authority may charge an Airline or its employees a fee based on the Authority's cost of providing services and facilities for the employee parking area(s) provided at the Airport. All such charges received by the Authority shall be allocated to the Ground Transportation Cost Center.

(c) Each Airline shall pay all applicable sales, use, intangible and ad valorem taxes of any kind, payable in connection with the use or occupancy of Airline Premises, the real

property and any improvements thereto or any Letter of Authorization related thereto, whether levied against an Airline or the Authority. Each Airline shall also pay any other taxes or assessments against the Airline Premises or any Letter of Authorization related thereto. Airlines may reserve the right to contest such taxes and withhold payment of such taxes upon written notice to the Authority of its intent to do so, so long as the nonpayment of such taxes does not result in a lien against any property of the Authority or any improvements thereon or a direct liability on the part of the Authority. The Authority agrees to promptly forward to the appropriate Airlines any notices of such taxes and assessments due upon receipt of same.

(d) Airlines shall pay all other fees and costs associated with their use of the Airport (e.g. utilities), including such fees and costs as may be set forth from time to time in the Authority Policies and Procedures.

7.4 Information to be Supplied by Airlines.

(a) Not later than ten (10) days after the end of each month, each Airline shall file with the Authority separate written or electronic reports on forms provided or approved by the Authority, describing activity conducted by such Airline during such month and setting forth the information requested by the Authority or otherwise necessary for the Authority to calculate Rates and Charges. Such activity reporting may include, but not be limited to, revenue and non-revenue Enplaned Passengers, Deplaned Passengers, pounds of cargo and mail, Chargeable Landings by aircraft type, number of incoming passenger bags delivered from airplanes to passengers using any part of the Inbound Baggage System, Maximum Gross Landed Weight by aircraft type, and number of Per Turn uses for Airline Premises (other than Committed Premises) for which Facility Fees are payable (including the number of remote-over-night (RON) aircraft apron uses).

(b) The Authority shall have the right, but shall not be required, to rely on said activity reports in determining Rates and Charges due hereunder. The Authority may also rely on alternative sources of information, such as FAA statistics and electronic data collection systems, to determine Rates and Charges due hereunder. Use of such alternative sources by the Authority shall not relieve an Airline of its reporting obligations hereunder. To the extent there is a discrepancy between the information provided by an Airline and information gathered from other sources, the Authority's determination as to the most reliable and accurate information shall be conclusive and binding on the parties, absent fraud or manifest error. Each Airline shall have full responsibility for the accuracy of its reports. Payment deficiencies of more than ten percent (10%) by category of Rates and Charges due on an annual basis hereunder that are due to incomplete or inaccurate activity reports shall be subject to interest charges, at a rate of eighteen percent (18%) per annum.

(c) Each Airline shall at all times maintain and keep records reflecting the statistics of its activities at the Airport to be reported pursuant to Section 7.4(a). Such records shall be retained for a period of three (3) years subsequent to the activities reported therein, or such other retention period as set forth in FAR Part 249, and upon written notice to an Airline, shall be made available at Orlando, Florida for audit and/or examination by the Authority or its

duly authorized representative during all normal business hours. Each Airline shall produce such books and records at Orlando, Florida within thirty (30) calendar days of the Authority's notice to do so or pay all reasonable expenses, including, but not limited to, transportation, food, and lodging, necessary for an auditor selected by the Authority to audit said books and records at alternative facilities. The cost of such audit (other than an Airline's cost to prepare, maintain and deliver access to such records, and the expenses referenced in the immediately preceding sentence) shall be borne by the Authority, unless either or both of the following conditions exist, in which case, the cost of the audit shall be borne by the audited Airline:

(i) The audit reveals an underpayment of more than ten percent (10%) by category of Rates and Charges due on an annual basis hereunder, as determined by said audit;

(ii) Such Airline has failed to maintain true and complete records in accordance with this Section 7.4(c).

(d) Unless otherwise required by the Authority Policies and Procedures, Airlines shall (i) provide to the Executive Director or designee on or before the first day of each calendar quarter a projected flight schedule for Airline flights to and from the Airport for the calendar quarter; and (ii) notify the Executive Director or designee prior to any schedule changes affecting flights to or from the Airport.

7.5 Payments.

(a) Payments of one-twelfth (1/12) of the total Rates and Charges for Committed Premises shall be due in advance, without demand or invoice, on the first day of each month. Such payment shall be deemed delinquent if payment is not received by the tenth (10) day of the month.

(b) Payment of Landing Fees shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if not received within ten (10) days after the due date.

(c) Payment of Common Use Baggage Charges, Facility Fees, FIS Fees and RON aircraft parking charges shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if not received within ten (10) days after the due date.

(d) Payment of fees payable on account of any concession type activity shall be due without demand or invoice on the fifteenth (15th) day following the month revenue is earned by an Airline, or, if different, in accordance with Authority Policies and Procedures, and shall be deemed delinquent if payment is not received within thirty (30) days after the due date.

(e) Payment for all other fees and charges due the Authority shall be due fifteen (15) days from the Authority's issuance of an invoice therefor, and shall be deemed delinquent if payment is not received within ten (10) days after the due date for such amounts.

(f) The Authority shall provide notice of any and all payment delinquencies, including any deficiencies which may be due as a result of the Authority's estimates of activity pursuant to Section 7.5(g) below, or due to an audit performed pursuant to Section 7.4(c) above; provided, however, interest at the rate of eighteen percent (18%) per annum shall accrue against any and all delinquent payment(s) from the due date until the date payments are received by the Authority. In the event the Authority sends an invoice in error (as opposed to an invoice based on estimates or budgets that happens to differ from the final True-Up amount due, which would not be deemed an invoice sent in error) and an Airline pays such invoice, the Authority shall promptly refund the erroneous payment, plus interest at a rate of eighteen percent (18%) per annum, accruing from the date payment was received by the Authority.

(g) In the event an Airline fails to submit its monthly activity reports as required in Section 7.4(a), the Authority shall estimate the Rates and Charges, which estimate shall be based on a reliable source of such activity, such as electronic systems at the Airport that track such activity or government reports, and, lacking such reliable source, shall be based upon the highest month of the previous twelve (12) month's activity reported by the Airline. The Authority may issue an invoice to Airline based on such activity estimates. If no activity data or operating history is available, the Authority shall reasonably estimate such activity and invoice for same. Airlines shall be liable for any deficiencies in payments based on estimates made under this provision. Payment for said deficiencies shall be deemed due as of the date such rental fee or charge was due and payable. If such estimate results in an overpayment by Airline, the Authority shall apply such overpayment as a credit against subsequent amounts due for such rentals, fees, and charges from Airline; provided, however, Airline shall not be entitled to any interest or credit for interest on payments of such estimated amounts.

(h) In the event any Airline's obligations with respect to Airline Premises or any privileges granted hereunder shall commence or terminate on any date other than the first or last day of the month, as applicable, such Airline's rentals, fees, and charges shall be prorated, as appropriate, on the basis of the number of days such Airline Premises or privileges were assigned or available to Airline during that month.

(i) All payments due and payable hereunder shall be paid in lawful money of the United States of America, without set off, in the manner (e.g. check, wire transfer, etc.), and to the location specified by the Authority from time to time, with such payment made payable to the Authority.

(j) The acceptance by Authority of any payment made by an Airline shall not preclude Authority from verifying the accuracy of an Airline's report and computations or from recovering any additional payment actually due from such Airline.

7.6 Security for Performance.

(a) Unless an Airline has both (i) executed and fulfilled its obligations under a Rate and Revenue Sharing Agreement with the Authority and (ii) provided regularly scheduled flights to and from the Airport during the eighteen (18) months prior to the Effective Date

without the occurrence of any Event of Default under this Resolution in the exclusive discretion of the Authority, each Airline shall provide the Authority with a contract bond, irrevocable letter of credit or other similar security acceptable to the Authority ("Performance Security") in an amount equal to the estimate of three (3) months' Rates and Charges, to guarantee the faithful performance by such Airline of its obligations to the Authority hereunder and the payment of all Rates and Charges due hereunder. Such Performance Security shall be in a form and with a company reasonably acceptable to the Authority and licensed to do business in the State of Florida. In the event that any such Performance Security expires or is canceled, the applicable Airline shall provide a renewal or replacement Performance Security for the remaining required period at least sixty (60) days prior to the date of such expiration or cancellation. The amount of Performance Security required to be maintained may be adjusted from time to time by the Authority based on updated estimates of Rates and Charges payable by an Airline. Each Airline shall deposit increased Performance Security promptly after receipt of notice of adjustment from the Authority. The Authority may waive any requirement herein in its exclusive discretion.

(b) In the event the Authority is required to draw down or collect against an Airline's Performance Security for any reason, such Airline shall, within ten (10) business days after the Authority's written demand, take such action as may be necessary to replenish the existing Performance Security to its original amount (three months' estimated Rates and Charges) or to provide additional or supplemental Performance Security from another source so that the aggregate of all Performance Security is equal to three months' estimated Rates and Charges payable.

(c) If an Airline is not required to have Performance Security in place at any time, then, upon the occurrence of any act or omission that is a breach of any obligation hereunder, or upon the failure of such Airline to pay any Rates and Charges hereunder when due for sixty (60) consecutive days, the Authority, by written notice to such Airline given at any time within ninety (90) days after the date such event becomes known to the Authority, may impose or reimpose the Performance Security requirements of this Section on such Airline. In such event, such Airline shall provide the Authority with the required Performance Security within ten (10) days from its receipt of such written notice and shall thereafter maintain such Performance Security in effect until the requirement for such Performance Security has been waived by the Authority.

(d) If an Airline shall fail to obtain and/or keep in force the Performance Security required hereunder, such failure shall be grounds for immediate termination of all Letters of Authorization with the Airline and for requiring such Airline to pay Rates and Charges in advance.

(e) Any Performance Security provided hereunder is not 'property of the estate' for purposes of Section 541 of the United States Bankruptcy Code (Title 11 USC), it being understood that any Performance Security is property of the third party providing it (subject to the Authority's ability to draw against the Performance Security).

(f) To the extent permitted by applicable law, all PFCs collected by Airlines with respect to Enplaned Passengers at the Airport, are property of the Authority when collected, and, to the extent held by an Airline, are being held in trust for the Authority.

7.7 Calculation of Holdroom Space and Airline Equipment Charge. The number of square feet of holdroom space assigned to an Airline under a Letter of Authorization shall, for purposes of calculating the Terminal Premises Rate payments due under the Letter of Authorization for each such holdroom, be calculated as follows: total square footage of all holdroom space in the Terminal, divided by the number of operational gates in the Airport. For purposes of calculating gate holdroom charges, Airline Equipment Charges and other Rates and Charges, the number of operational gates in the Airport, from time to time, shall be determined by the Authority in its reasonable discretion.

ARTICLE 8 CHANGES IN RATES AND CHARGES

8.1 Annual Rate Changes.

(a) Prior to the end of each Fiscal Year, the Authority shall, subject to any consultation requirements imposed by applicable law, notify the Airlines of the proposed schedule of initial Rates and Charges for the ensuing Fiscal Year and of any proposed changes in the Rate Methodology. The Executive Director shall have the authority to modify the Rate Methodology as deemed appropriate, and such modification shall be an amendment hereof, and the modified Rate Methodology shall thereafter be incorporated herein, without any further action by the Authority Board being required.

(b) If calculation of the new Rates and Charges is not completed by the Authority and the notice provided in Section 8.1(a) is not given on or prior to the end of the then current Fiscal Year, the Rates and Charges then in effect shall continue to be paid by the Airlines until such calculations are concluded and such notice is given. Upon the completion of such calculations and the giving of such notice, the Authority shall determine the difference(s), if any, between the actual Rates and Charges paid by the Airlines to date for the then current Fiscal Year and the Rates and Charges that would have been paid by each Airline if such Rates and Charges had been in effect beginning on the first day of the Fiscal Year, other than Fiscal Year 2014. Such differences shall be applied to the particular Rates and Charges for which a difference resulted in an overpayment or underpayment, and shall be remitted by the affected Airlines or credited or refunded by the Authority to the affected Airlines in the month immediately following the calculation of the Rates and Charges for the new Fiscal Year and the giving of written notice to the Airlines by the Authority of such new Rates and Charges.

(c) The Authority may recalculate Rates and Charges, in its exclusive discretion, any time during a Fiscal Year when the unaudited monthly financial data collected by the Authority indicates that the amounts projected to be owed by one or more Airlines for that Fiscal Year are reasonably likely to fall short of, or exceed, by a material amount, the amounts to be paid by such Airlines.

8.2 Changes in Rates and Charges. Adjustments to Rates and Charges based on the True-Up or in accordance with Section 8.1(c) above, shall apply without the necessity of a formal consultation with the Airlines, Authority Board action or any other approvals; provided there has been no change in the Rate Methodology.

ARTICLE 9 AIRLINE IMPROVEMENTS

9.1 Alterations and Improvements by Airlines. In accordance with Section 5.1(m) above, an Airline may construct and install, at such Airline's sole expense, such improvements in its non-public Committed Premises as such Airline deems to be necessary for its operations; provided, however, that the plans and specifications, location, and, in the Executive Director's exclusive discretion, construction schedule for such improvements shall be approved by the Executive Director in writing prior to the commencement of any and all such construction or installation and further provided that such Airline complies with the requirements of the Authority in effect from time to time, including Authority Policies and Procedures. No reduction or abatement of Rates and Charges shall be allowed for any interference with an Airline's operations by such construction.

9.2 Removal of Improvements. Subject to Section 9.4 below, upon any relocation or withdrawal of an Airline from space containing Airline improvements, such Airline shall remove, at the Airline's cost, such improvements and, except as may be directed or approved by the Authority, shall return such space to the condition it was in prior to such improvements being made, normal wear and tear excepted.

9.3 Compliance with Law. As a condition to making any improvements at the Airport, an Airline shall comply with all applicable laws and Authority Policies and Procedures relating to such improvements.

9.4 Ownership of Improvements. All improvements made to Airline Premises and all additions and alterations thereto made by an Airline, except those financed by the Authority, shall be and remain the property of such Airline until the relocation or withdrawal of the Airline from the improved space. Upon such relocation or withdrawal, said additions and alterations shall become the property of the Authority or at the Authority's option, shall be removed by Airline, in accordance with Section 9.2 above; provided, however, that any trade fixtures, signs, equipment and other movable personal property of an Airline not permanently affixed to Airline Premises shall, if timely removed, remain the property of such Airline.

ARTICLE 10

DAMAGE OR DESTRUCTION

10.1 Partial Damage. If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be partially damaged by fire or other casualty or by any Authority required construction or renovation project, but such circumstances do not render the Committed Premises untenable as reasonably determined by the Authority, the same shall be repaired, constructed or renovated to usable condition with due diligence by the Authority as hereinafter provided. No abatement of Rates and Charges or modifications to the applicable Letter of Authorization shall occur, so long as the Committed Premises remain tenantable.

10.2 Substantial Damage. If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be so extensively damaged by fire or other casualty or by any Authority required construction or renovation project, as to render any portion of the Committed Premises untenable, but capable of being repaired, as reasonably determined by the Authority, the same shall be repaired to usable condition with due diligence by the Authority as hereinafter provided. If such repairs have not been commenced (defined as any material construction related activity, such as preparing plans, applying for permits, etc.) by the Authority within ninety (90) days after such damage, and Airline has not been provided comparable alternative facilities, Airline shall have the option to terminate the Letter of Authorization to the extent relating to the damaged Committed Premises. In the case of damage described herein, the Rates and Charges payable with respect to an Airline's affected Committed Premises shall be paid up to the time of such damage and shall thereafter be abated equitably in proportion as the part of the area rendered untenable bears to total Committed Premises until such time as the damaged Committed Premises are again tenable or comparable alternative facilities are made available to Airline. The Authority shall use commercially reasonable efforts to provide Airline with comparable, alternative facilities sufficient to allow Airline to continue its operations while repairs are being completed, at Rates and Charges applicable to such alternative facilities, as if such alternative facilities were covered by the Letter of Authorization applicable to the damaged Committed Premises; provided, however, that Airline shall not be charged for more alternative space than was rendered untenable in accordance with this Section unless and until Airline and Authority agree that such temporary alternative space shall become Airline's permanent Committed Premises pursuant to Section 4.4(b)(i).

10.3 Destruction.

(a) If any part of Committed Premises, or adjacent facilities directly and substantially affecting the use of Committed Premises, shall be damaged by fire or other casualty or by any Authority required construction or renovation project, and is so extensively damaged as to render any portion of the Committed Premises untenable and not economically feasible to repair, as reasonably determined by the Authority, the Authority shall notify the affected Airline within a period of forty five (45) days after the date of such damage of its decision whether to reconstruct or replace such premises or facilities; provided, however, the Authority

shall be under no obligation to replace or reconstruct such premises or facilities. The Rates and Charges payable hereunder with respect to affected Committed Premises shall be paid up to the time of such damage and thereafter shall abate until such time as replacement or reconstructed space becomes available for use by Airline.

(b) In the event the Authority elects to reconstruct or replace affected Committed Premises, the Authority shall use commercially reasonable efforts to provide Airline with comparable, alternative facilities sufficient to allow Airline to continue its operation while reconstruction or replacement facilities are being completed, at Rates and Charges applicable to such alternative facilities as if such alternative facilities were covered by a Letter of Authorization applicable to the damaged Committed Premises; provided, however, that Airline shall not be charged for more alternative space than was rendered untenable in accordance with this Section unless and until Airline and Authority agree that such temporary alternative space shall become Airline's permanent Committed Premises pursuant to Section 4.4(b)(i).

(c) In the event the Authority elects to not reconstruct or replace damaged Committed Premises, the Authority shall either relocate Airline, pursuant to Section 4.4(b)(i) above, or if no premises are available to accomplish such relocation, to terminate that portion of the Airline's Letter of Authorization that relates to the damaged facilities. In any event, the Authority agrees to amend an Airline's Letter of Authorization to reflect related additions and deletions to Committed Premises. In the event Airline is not relocated and, after termination of the Letter of Authorization as to the damaged facilities, the remaining tenable portion of the Committed Premises is not sufficient to maintain operations at the Airport, Airline may terminate the entire Letter of Authorization upon at least sixty (60) days advance notice given within ninety (90) days after receipt by Airline of notice of termination of its Letter of Authorization as to the damaged facilities.

10.4 Damage Caused By Airline. Notwithstanding any provision of this Article 10 to the contrary, in the event that due to the negligence or willful act or omission of Airline, its employees, its agents, or licensees ("Responsible Airline"), Airline Premises shall be damaged or destroyed by fire, other casualty or otherwise, there shall be no abatement of Rates and Charges during the repair or replacement of such Airline Premises. To the extent that the costs of repairs are not fully recovered from any insurance proceeds payable to the Authority by reason of such damage or destruction, the Responsible Airline shall pay the amount of such additional costs to the Authority. Upon the evacuation of any premises by Airline, whether due to relocation or otherwise, Airline shall reimburse the Authority for the cost to repair any damage to such premises caused by the Responsible Airline, other than normal wear and tear.

10.5 Limit on Authority's Responsibilities. The Authority's obligations to repair, reconstruct, or replace any part of the affected Airline Premises or adjacent facilities under the provisions of this Article 10 shall, in any event, be limited to restoring affected Airline Premises or adjacent facilities to the extent of insurance proceeds and other similar funds available to the Authority for such repair, reconstruction, or replacement, but, in any case, to a condition no better than substantially the same condition that existed at the date of damage or destruction; provided further, that the Authority shall in no way be responsible for the insuring of, or the

restoration or replacement of, any equipment, furnishings, property, improvements, signs, or other items installed and/or owned by Airline.

ARTICLE 11 INDEMNIFICATION AND INSURANCE

11.1 Indemnification by Airlines.

(a) Indemnification. Each Airline shall, as a condition of operating at the Airport, protect, defend, reimburse, indemnify and hold each of the Authority, the City, their respective agents, employees, board members and elected officers (hereinafter collectively referred to as “Authority Indemnatee”) free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including actually incurred reasonable attorney’s fees and appellate cost) and causes of action of every kind and character, whether or not meritorious, including but not limited to, claims or damages relating to any damage to property (including but not limited to, any environmental damage) personal injury, or bodily injury (including death) incurred or sustained by any person or organization (including, but not limited to, by an Authority Indemnatee) against or incurred by any Authority Indemnatee and arising out of, or incident to, or in connection with, (i) such Airline’s use, operation, maintenance or occupancy of the Airline Premises; or (ii) the operation of such Airline’s Air Transportation Business, including the use or access by such Airline’s ticketed passengers of the Airport; or (iii) the performance, non-performance or purported performance of such Airline under any Letter of Authorization; or (iv) any breach by such Airline of the terms of this Resolution or any agreement between the Authority and the Airline; provided, however, nothing contained in this Section shall require indemnification by an Airline of an Authority Indemnatee from or against any loss, liability or claim to the extent arising from the gross negligence or willful misconduct of the Authority Indemnatee or the negligence or willful misconduct of any third party not contractually related to Airline or not acting on behalf of Airline.

(b) Notice and Defense of Claims. Upon the filing by anyone of a claim with the Authority for damages arising out of incidents for which an Airline must indemnify and hold the Authority or another Authority Indemnatee harmless, the Authority shall promptly notify such Airline of such claim and, in the event that such Airline does not settle or compromise such claim, then such Airline shall undertake the legal defense of such claim both on behalf of such Airline and on behalf of each involved Authority Indemnatee. It is specifically agreed, however, that in the event of any conflict between an Authority Indemnatee, including the Authority, and the indemnifying Airline, an Authority Indemnatee may, at its option, provide its own legal defense and such Airline will promptly reimburse any such Authority Indemnatee for the reasonable cost, including attorney’s fees, incurred by or on behalf of the Authority Indemnatee in the legal defense of such claim.

(c) No Voluntary Waiver of Immunity. The obligation of each Airline to indemnify an Authority Indemnatee is not intended to waive any sovereign immunity otherwise applicable to an Authority Indemnatee.

(d) Consideration, Survival of Indemnity Obligation and Additional Remedy. Each Airline's indemnity obligation shall survive the termination of any Letter of Authorization and an Airline's use of the Airport for its Air Transportation Business. Compliance with the insurance requirements of this Article 11 shall not relieve an Airline of, or otherwise limit, an Airline's obligation to indemnify an Authority Indemnitee as set forth in this Article 11.

11.2 Insurance.

(a) Except to the extent the Authority, in its sole discretion, otherwise agrees to the contrary, each Airline shall provide, pay for and maintain the types and amounts of insurance described herein, or as may be updated or modified in the Authority Policies and Procedures. All such insurance shall be issued by insurers which are eligible to do business in the State of Florida or, if permitted by applicable law, as otherwise approved by the Authority. In addition, all such insurers shall have and maintain evidence of financial integrity and responsibility reasonably acceptable to the Authority.

(b) The insurance coverage and limits required shall be evidenced by properly executed certificates of insurance. These certificates shall be signed by the authorized representative of the insurance company shown on the certificate and will show all deductibles or self-insurance retentions and show the Authority as an additional insured on airline liability/commercial general liability primary and excess coverage. In addition, certified, true, and exact copies of all insurance policies shall be made available to the Authority at an Airline's headquarters, at the Authority's cost, on a timely basis, if requested by the Authority.

(c) All required insurance coverages of each Airline shall be primary to any insurance or self-insurance program of the Authority. In addition, any insurance, or self-insurance maintained by the Authority shall be excess of, and shall not contribute with, the insurance provided by Airline.

(d) The acceptance of delivery to the Authority of any certificate of insurance evidencing the insurance coverages and limits required does not constitute approval or acceptance by the Authority that the insurance requirements herein have been met.

(e) No Airline may conduct operations at the Airport unless and until the required certificates of insurance are in effect and approved by the Authority.

(f) The insurance coverages and limits required of Airline are designed to meet the minimum requirements of the Authority. They are not designed as a recommended insurance program for any Airline. Each Airline is responsible for insuring its real and personal property located at the Airport. Each Airline, alone, shall be responsible for the sufficiency of its own insurance program. Should an Airline have any question concerning its exposures to loss, or the possible insurance coverages needed therefor, it should seek professional advice.

(g) An Airline shall give, or cause its insurance representative to give, the Authority thirty (30) days prior written notice, seven (7) days in the case of war risk, by

registered or certified mail of any cancellation, intent not to renew, or material reduction in any policy's coverage instigated by such Airline and prompt notice of any such event instigated by an insurance company.

(h) Renewal Certificates of Insurance must be provided to the Authority as soon as practical but in every instance prior to expiration of current coverages.

(i) Should at any time an Airline not, in the opinion of the Authority, provide or maintain the insurance coverages required, the Authority may terminate or suspend operation of such Airline's Air Transportation Business at the Airport or any Letters of Authorization applicable to Airline.

(j) Except to the extent updated or modified by the Authority's Policies and Procedures, the amounts and types of insurance shall conform to the following minimum requirements.

(i) Workers Compensation and Employer's Liability Insurance shall be maintained in force by each Airline for all employees engaged in the operations on the Airport. The limits of coverage shall not be less than:

Workers' Compensation	Florida Statutory
Employer's Liability	\$1,000,000 Limit Each Accident
	\$1,000,000 Limit Disease Aggregate
	\$1,000,000 Limit Disease Each Employee

(ii) Airline Liability Insurance/Commercial General Liability shall be maintained by each Airline and shall include, but not be limited to, Premises and Operations, Personal Injury, Contractual Liability, Products and Completed Operations Coverage, Hangarkeepers, Liquor Liability, Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government), and Environmental Liability. Coverage shall be applicable to the operation of all owned, non-owned, leased or hired, licensed and unlicensed motor vehicles and ground equipment operating within the Aircraft Operations Area (AOA) at the Airport. The limits of coverage shall not be less than:

Airline Liability:	
Bodily & Personal Injury	\$200,000,000 Combined Single Limit
& Property Damage Liability	Each Occurrence & Aggregate, with a
	\$25,000,000 sublimit for Personal Injury
	to non-passengers

Sublimits to be provided through the Airline Liability or separate policy:

Liquor Liability Coverage – for any facility of an Airline serving alcoholic beverages on the Airport in an amount not less than \$1,000,000 per occurrence.

Hangarkeepers Liability Coverage – in an amount adequate to cover any non-owned property in the care, custody, and control of an Airline on the Airport, but in any event in an amount not less than \$5,000,000 per occurrence.

Motor Vehicle Liability Coverage – to cover all licensed and unlicensed motor vehicles and ground equipment owned, non-owned, or hired by an Airline which are operated in the AOA. This coverage will be in an amount not less than \$5,000,000 per person and per occurrence.

Terrorism or War Risk and Allied Perils (to the extent available from, or subsidized by, the federal government) – in an amount not less than \$50,000,000.

Environmental Liability – in an amount not less than \$10,000,000 for sudden and accidental pollution, or, to the extent not prohibited by any applicable law, an Airline may provide for reasonable limits of self-insurance against environmental liability risks. All amounts paid to the Authority by an Airline on account of any self-insurance program shall be deemed insurance proceeds. To the extent an Airline self-insures as to environmental liability, the protections afforded the Authority by such Airline shall be the same as if insurance were provided by a third-party insurer, and such Airline shall have all the obligations and liabilities of a third party insurer hereunder (e.g. obligation to provide a defense).

(iii) Aircraft Liability Insurance shall be maintained by each Airline for all owned, non-owned, leased or hired aircraft, including passenger coverage. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$200,000,000 Combined Single Limit Each Occurrence & Aggregate, with a \$25,000,000 sublimit for Personal Injury to non-passengers

(iv) Business Automobile Liability Insurance shall be maintained by each Airline as to the ownership, maintenance, and use of all owned, non-owned, leased or hired vehicles. The limits of coverage shall not be less than:

Bodily & Personal Injury & Property Damage Liability	\$1,000,000 Combined Single Limit Each Occurrence & Aggregate, with a \$25,000,000 sublimit for Personal Injury to non-passengers

(v) Umbrella Liability Insurance or Excess Liability Insurance may be used to reach the limits of liability required by this Article 11.

ARTICLE 12

CANCELLATION OF LETTER OF AUTHORIZATION BY THE AUTHORITY

12.1 Termination Events. The Authority shall be entitled to cancel or terminate a Letter of Authorization or Operating Permit, as described below, upon the occurrence of any of the following with respect to the applicable Airline ("Event of Default"):

(a) The conduct by an Airline of any business or performance of any acts at the Airport not specifically authorized by this Resolution or by other agreements between the Authority and such Airline, and such business or acts do not cease within thirty (30) days after receipt of the Authority's written notice to cease such business or acts.

(b) The failure by an Airline to cure a default in the performance of any of the terms, covenants, and conditions required herein (except Performance Security requirements, insurance requirements, and payment of Rates and Charges, all as provided for below) within thirty (30) days after receipt of written notice by the Authority of such default; or, if by reason of the nature of such default, the same cannot be cured within thirty (30) days following receipt of written demand from the Authority to do so, such Airline fails to commence curing such default within such thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof and, in any event, fails to cure such default within a reasonable time or ninety (90) days after receipt of notice of such default, whichever is earlier. The defaulting Airline shall have the burden of proof to demonstrate (i) that the default cannot be cured within thirty (30) days, and (ii) that it is proceeding with diligence to cure said default, and that such default can be cured within the earlier of a reasonable period of time or ninety (90) days.

(c) The failure by an Airline to pay any part of the Rates and Charges due the Authority and the continued failure to pay such amounts in full within fifteen (15) days after the Authority's written notice of such default; provided, however, that if a dispute arises between the Authority and such Airline with respect to any obligation or alleged obligation of such Airline to make certain payments to the Authority, payments made under protest by such Airline shall not waive any of such Airline's rights to contest the validity or amount of such payment. In the event any court or other body having jurisdiction determines all or any part of the protested payment shall not be due, then the Authority shall promptly reimburse such Airline or credit against future payments by such Airline any amount determined as not due.

(d) The failure by an Airline to provide and keep in force the Performance Security, to the extent required.

(e) The failure by an Airline to obtain and keep in force the insurance coverages described herein.

(f) The appointment of a trustee, custodian, or receiver of all or a substantial portion of Airline's assets.

(g) The divestiture of an Airline's rights under this Resolution, a Letter of Authorization or Operating Permit by operation of law, by dissolution, or by liquidation (not including a merger or sale of assets).

(h) The insolvency of an Airline; or if an Airline shall (i) take the benefit of any present or future insolvency statute, (ii) shall make a general assignment for the benefit of creditors, or (iii) shall seek a reorganization or the readjustment of its indebtedness under any law or statute of the United States or of any state thereof, including the filing by such Airline of a voluntary petition of bankruptcy or the institution of proceedings against such Airline for the adjudication of such Airline as a bankrupt.

(i) The abandonment by an Airline of any Committed Premises, or its conduct of business at the Airport; and, in this connection, suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a labor dispute or other governmental action in which such Airline is directly involved.

(j) The failure by an Airline to remit PFCs in accordance with Section 18.2.

12.2 Continuing Responsibilities. Notwithstanding the occurrence of any Event of Default applicable to it, an Airline shall remain liable to the Authority for all Rates and Charges payable hereunder and for all preceding breaches of any obligation owed the Authority. Furthermore, unless the Authority elects to cancel any Letters of Authorization, an Airline shall remain liable for and promptly pay all Rates and Charges accruing thereunder through the end of the term of such Letter of Authorization.

12.3 The Authority's Remedies. Upon the occurrence of an Event of Default with respect to an Airline, the following remedies, which shall be cumulative, shall be available to the Authority:

(a) The Authority may exercise any remedy provided by law or in equity, including, but not limited to, the remedies hereinafter specified.

(b) The Authority may cancel any Letters of Authorization with such Airline, or, any Operating Permit signed by such Airline, effective upon the date specified in the notice of cancellation. Upon such date, the defaulting Airline shall be deemed to have no further rights thereunder and the Authority shall have the right to take immediate possession of Airline's Committed Premises.

(c) The Authority may reenter the Airline Premises and may remove all of such Airline's persons and property from same upon the date of reentry specified in the Authority's written notice of reentry. Upon any removal of an Airline's property by the Authority hereunder, such Airline property may be stored at a public warehouse or elsewhere at such Airline's sole cost and expense.

(d) The Authority may reassign Committed Premises and any improvements thereon or any part thereof at such Rates and Charges and upon such other terms and conditions

as the Authority, in its sole discretion, may deem advisable, with the right to make alterations, repairs or improvements on such Committed Premises.

(e) No reentry or reassignment of Committed Premises by the Authority shall be construed as an election on the Authority's part to cancel the applicable Letter of Authorization, unless a written notice of cancellation is given to Airline.

(f) The Authority shall have no obligation to reassign any Committed Premises pursuant to a Letter of Authorization prior to the assignment of any other similar Terminal space pursuant to a Letter of Authorization. The Authority shall have exclusive discretion as to which Terminal space to assign at any time.

(g) Airline shall pay to the Authority all other costs incurred by the Authority in the exercise of any remedy in this Article 12, including, but not limited to, reasonable attorneys' fees, disbursements, court costs, and expert fees.

12.4 Remedies Under Federal Bankruptcy Laws. Notwithstanding the foregoing, upon the filing by or against an Airline of any proceeding under federal bankruptcy laws, if such Airline has defaulted in the performance of any provision of a Letter of Authorization or Operating Permit within the six (6) months preceding such filing, the Authority shall have the right to cancel such Letter of Authorization or Operating Permit, as applicable, in addition to other remedies provided under provisions of the Federal Bankruptcy Rules and Regulations and Federal Judgeship Act of 1984, as such may be subsequently amended, supplemented, or replaced. Such cancellation shall be by written notice to the affected Airline within sixty (60) days from the date of Airline's initial filing in bankruptcy court.

ARTICLE 13

CANCELLATION OF LETTER OF AUTHORIZATION BY AN AIRLINE

13.1 Termination Events. An Airline will be entitled to terminate a Letter of Authorization upon the occurrence of any of the following events applicable to such Airline:

(a) The Authority fails to keep, perform, or observe any term, covenant, or condition herein contained, to be kept, performed, or observed by the Authority and such failure continues for thirty (30) days after receipt of written notice of such failure from an Airline; or, if by its nature such default cannot be cured within such thirty (30) day period, the Authority shall not commence to cure such default within said thirty (30) days and thereafter to cure or remove the same as promptly as reasonably practicable.

(b) Airport is closed to flights in general or to the flights of an Airline, for reasons other than those circumstances within the Airline's control, and Airport fails to be reopened to such flights within sixty (60) consecutive days from such closure.

(c) The Airport is permanently closed as an air carrier airport by act of any federal, state, or local government agency having competent jurisdiction; or an Airline is unable to use the Airport for a period of at least forty-five (45) consecutive days due to any law or any order, rule or regulation of any governmental authority having jurisdiction over the operations of the Airport; or any court of competent jurisdiction issues an injunction preventing the Authority or such Airline from using Airport for airport purposes, for reasons other than those circumstances within such Airline's control or resulting from such Airline's actions, and such injunction remains in force for a period of at least forty-five (45) consecutive days.

(d) The United States Government or any authorized agency thereof (by executive order or otherwise) assumes the operation, control, or use of the Airport in such a manner as to substantially restrict an Airline from conducting its operations, if such restriction continues for a period of sixty (60) consecutive days or more.

13.2 Airline's Remedy. So long as an Airline is not in default of any obligation hereunder, including but not limited to payments due to the Authority, such Airline may cancel any Letter of Authorization or part thereof impacted by, and upon the occurrence of, an event described in Section 13.1 above, upon delivery of written notice of cancellation to the Authority and the surrender of such Committed Premises to the Authority any time prior to such event being cured. All obligations of Airline to pay Rates and Charges under that part of the Letter of Authorization cancelled hereby, other than Rates and Charges payable for periods and activities prior to such cancellation, shall cease as of the date of such cancellation and surrender of the Committed Premises to the Authority. The Airline shall continue to be responsible for all Rates and Charges applicable to its use or occupancy of the Airfield, Terminal or Terminal Apron.

ARTICLE 14

SURRENDER OF AIRLINE PREMISES

14.1 Surrender and Delivery. Upon expiration or cancellation of a Letter of Authorization or Operating Permit, or a reassignment of any Airline Premises not subject to a Letter of Authorization, an Airline shall promptly and peaceably surrender to the Authority its Airline Premises and all improvements thereon to which the Authority is entitled in good and fit condition, and at least in substantially the same condition as such Airline Premises was delivered to Airline, reasonable wear and tear, as well as damage or repair which is the responsibility of the Authority hereunder, excepted; provided, however, nothing in this Section 14.1 shall be construed to modify the obligations of the parties set forth in Article 9, Article 10, and Article 11.

14.2 Removal of Property. Provided an Airline is not in default for payment of Rates and Charges hereunder, an Airline is permitted at any time to remove from the Airport its aircraft, tools, equipment, trade fixtures, and other personal property, title to which shall remain in the Airline, unless otherwise set forth herein, and shall remove such aircraft, tools, equipment, trade fixtures, and other personal property from any Airline Premises no longer assigned to such Airlines within five (5) business days following any notice to such Airline that such Airline Premises are no longer assigned to it, subject to any valid lien which the Authority may have thereon for unpaid Rates and Charges. No Airline may abandon any portion of its property at the Airport without the written consent of the Authority. Any and all property not removed by Airline from former Airline Premises, as required hereby, shall, at the option of the Authority, (i) become the property of the Authority at no cost to the Authority; (ii) be stored by the Authority, at no cost to the Authority; (iii) be sold at public or private sale at no cost to the Authority, with the proceeds thereof being retained by the Authority or (iv) be dealt with in accordance with Section 12.3(c). Except as may be agreed to otherwise by the Authority and an Airline, all Authority property damaged by or as a result of the removal of Airline's property shall be restored by Airline to the condition existing before such damage at Airline's expense.

ARTICLE 15

ASSIGNMENT AND HANDLING AGREEMENTS

15.1 Assignment by an Airline.

(a) No Airline may, directly or indirectly, assign, sell, hypothecate, or otherwise transfer its rights under a Letter of Authorization, an Operating Permit or any portion of Airline Premises assigned to such Airline, without the prior written consent of the Authority; provided, however, Airline may assign such rights to any person, firm or corporation with which Airline may merge or consolidate or which may succeed to the business of Airline or which purchases all or substantially all of such Airline's assets. The Authority may withhold its consent hereunder for any reason, including the availability for assignment to others of alternative space.

(b) No Airline may allow any third party Airline to use of any Airline Premises assigned to such Airline, other than an Identified Affiliate, without the prior written consent of the Authority, which consent may be withheld if the Authority has alternative unassigned space available or if the Authority can make such space available for assignment within a reasonable time.

(c) An Airline shall include with its request for permission to assign Committed Premises, a copy of the proposed assignment agreement. The assignment agreement submitted with Airline's request shall include the following information: (i) the term; (ii) the area or space to be assigned; (iii) the amounts to be charged; and (iv) a provision that assignee must execute a separate Operating Permit or Letter of Authorization with the Authority for operating at the Airport. Any other information reasonably requested by the Authority pertaining to said assignment shall be promptly provided by Airline. A fully executed copy of such assignment shall be submitted to the Authority for final approval prior to the occupancy of the Committed Premises, or any portion thereof, by the assignee.

(d) Nothing in this Article 15 shall be construed to release an Airline from its obligations under a Letter of Authorization, including but not limited to, the payment of Rates and Charges provided herein, with respect to the Airline Premises, including such portion of the Airline Premises assigned, unless otherwise agreed in writing by the Authority.

15.2 Handling Agreements. In the event any Airline agrees to ground handle any portion of the operations of another Airline, other than an Identified Affiliate, such Airline shall provide the Authority advance written notice of such proposed activities, including a description of the type and extent of services to be provided, and shall comply with all Authority Policies and Procedures in effect from time to time applicable to such activity, including, without limitation, policies relating to the payment to the Authority of a percentage of fees received by Airline for such service. Notwithstanding the foregoing or any Authority Policies and Procedures to the contrary, an Airline shall have no obligation to pay to the Authority a percentage of fees received by Airline for performing ground handling or other permitted services if and to the extent the Airline receiving the services is a party to a Rate and Revenue

Sharing Agreement and is not in breach thereof. (Please see Section 5.4(d) for an exclusion from the requirement to pay fees to the Authority for ground handling and other services provided by a third party to an Airline.)

ARTICLE 16

AVAILABILITY OF ADEQUATE FACILITIES

16.1 Reassignment of Preferential Use Premises. The Authority may reassign to another Airline one or more of an Airline's gates assigned as Preferential Use Premises under a Letter of Authorization if: (a) such Airline's scheduled average utilization for such preferentially assigned gate(s) falls below four (4) flights per gate per day; (b) the Authority determines that there is a reasonable need for the preferential use of such gate(s) by another Airline; and (c) such other Airline meets the required four (4) flights per gate per day minimum. Prior to such reassignment becoming effective, the reassigned Airline shall have a sixty (60) day period to adjust its schedule to equal or exceed four (4) flights per gate per day so as not to be subject to such reassignment during the term of its Letter of Authorization. When determining specific Preferential Use Premises to be reassigned, the Authority will use reasonable efforts to not reassign facilities that will disrupt the continuity and staffing of an Airline's operation.

16.2 Regional/Commuter Operations.

(a) To the extent practical, aircraft that are capable of connecting to a loading bridge must use a Terminal Apron equipped with a loading bridge for the enplaning and deplaning of passengers.

(b) Aircraft that are not capable of connecting to a loading bridge will use those areas of the Terminal Aprons designated by the Authority and will be accessed from the ramp level through commuter facilities unless otherwise approved by the Authority.

ARTICLE 17

GOVERNMENT INCLUSION

17.1 Government Agreements. The terms of this Resolution shall be subordinate to, and shall be automatically modified to comply with, the provisions of any existing or future agreements between the Authority and the United States Government or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal or other governmental funds for the development of the Airport, to the extent that the provisions of any such existing or future agreements are generally required by the United States or other governmental authority as a condition to receiving such funds. The Authority agrees to provide Airlines written advance notice of any provisions which would adversely modify the terms of this Resolution in a material respect.

17.2 Federal Government's Emergency Clause. All provisions of this Resolution shall be subordinate to the rights of the United States of America to operate the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Resolution inconsistent with the operations of the Airport by the United States of America. The Authority shall have no liability to an Airline to the extent the Authority is prohibited or hindered from performing its obligations hereunder as a result of rights exercised in this paragraph.

17.3 Nondiscrimination.

(a) Each Airline for itself, its personal representatives, successors in interest, and assigns, as a condition of operating at the Airport, shall operate at the Airport so that (i) no person, on the grounds of race, color, creed, sex, national origin or other federally protected classification, shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airline Premises, (ii) in the construction of any improvements on, over, or under Airline Premises and the furnishing of services thereon, no person, on the grounds of race, color, creed, sex, national origin or other federally protected classification, shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, and (iii) such Airline shall use the Airline Premises in compliance with all other requirements imposed by or pursuant to 14 CFR 152 and Title VI of the Civil Rights Act of 1964 and 49 CFR, Subtitle A, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Title and Regulations may be amended.

(b) Each Airline acknowledges that the provisions of 49 CFR, Part 23, Disadvantaged Business Enterprises ("DBE"), as such regulations may be amended, and such other similar regulations as may be enacted, may be applicable to the activities of Airline at the Airport, unless exempted by said regulations, and by choosing to operate at the Airport, each Airline shall be deemed to have agreed to comply with the regulatory agencies, in reference thereto. These requirements may include, but not be limited to, compliance with DBE participation goals, the keeping of certain records of good faith compliance efforts, which would

be subject to review by the various agencies, the submission of various reports and, if so directed, the contracting of specified percentages of goods and services contracts to DBEs.

17.4 Security. Each Airline, its officers, employees, agents, and those under its control, shall comply with all security measures required of Airline by the Authority, TSA, FAA or contained in any Airport master security plan approved by the TSA or FAA. If an Airline, or its officers, employees, agents, or those under its control, shall fail or refuse to comply with such measures and such non-compliance results in a monetary penalty being assessed against the Authority, then, in addition to any other remedies available to the Authority, such non-complying Airline shall be responsible for, and shall reimburse the Authority in the full amount of, any such monetary penalty or other damages. This Resolution shall be deemed to be automatically amended to the extent required, in the Authority's discretion, to satisfy any federal security requirements or directives. The Authority shall provide notice to each Airline in advance of, or as soon as practically possible after, any such automatic amendment.

17.5 Environmental.

(a) General Conditions.

Each Airline must:

(i) be knowledgeable of all applicable federal, state, regional, and local environmental laws (including common law), ordinances, rules, regulations and orders, which apply to Airline's operations at the Airport (collectively, "Environmental Laws") and acknowledge that such Environmental Laws change from time-to-time. Each Airline must keep informed of any such future changes.

(ii) comply with all applicable Environmental Laws, which apply to Airline's operations, and all permits issued to Airline pursuant to any Environmental Laws. Airline's indemnity obligation under Section 11.1 for violation of this Section shall include, but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures or monitor environmental conditions and for any monetary penalties, costs, expenses, or damages, including natural resource damages, imposed against Airline, its employees, invitees, suppliers, or service providers or the Authority by reason of such Airline's violation or non-compliance.

(iii) cooperate with any investigation, audit or inquiry by the Authority or any governmental or quasi-governmental agency, regarding possible violation by Airline of any Environmental Law upon the Airport, to the extent applicable or potentially applicable to Airline.

(iv) promptly provide to the Authority any notice of violation, notice of non-compliance, or other enforcement action relating to the Airport promptly after receipt by Airline or Airline's agent.

(b) Stormwater.

(i) Each Airline shall observe and abide by all stormwater rules and regulations as may be applicable to Airline and its use of the Authority's property.

(ii) Any stormwater discharge permit issued to the Authority may name such Airline as a co-permittee. Each Airline shall closely cooperate with the Authority to ensure compliance with any applicable stormwater discharge permit terms and conditions. Each Airline shall undertake such actions necessary to minimize the exposure of stormwater to "significant materials" generated, stored, handled or otherwise used by such Airline, as such term may be defined by applicable stormwater rules and regulations, by implementing and maintaining "best management practices" as that term may be defined in applicable stormwater rules and regulations.

(iii) Within ten (10) days after receipt of any written notice from the Authority or any governing authority relating to stormwater discharge requirements applicable to Airline, an Airline shall notify the Authority in writing if it disputes any of the stormwater permit requirements it is being directed to undertake. If an Airline does not provide such timely notice, such Airline shall undertake at its sole expense, unless otherwise agreed to in writing between the Authority and Airline, those stormwater permit requirements for which it has received written notice from the Authority, and Airline will hold harmless and indemnify the Authority for any violations or non-compliance by such Airline with any such permit requirements.

(c) Solid and Hazardous Waste.

(i) Each Airline shall comply with all applicable federal, state and local laws relating to such Airline's transportation, handling, storage, treatment or disposal of solid or hazardous waste at the Airport, and any rules and regulations promulgated thereunder, including, but not limited to, ensuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable law.

(ii) Each Airline shall provide the Authority, or, at Authority's option, make available for review by the Authority, upon request, copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation, responses, storage, disposal and contingency plans and material safety data sheets applicable to Airline's operations at the Airport, within ten (10) days after any such requests by the Authority, all of which shall be maintained in compliance with applicable Environmental Laws. Each Airline shall have, and shall implement as needed, to the extent required by applicable Environmental Laws, a written plan addressing containment and clean up of fuel and/or oil spills.

(d) Air Quality. Each Airline agrees to comply with all applicable Environmental Laws relating to the quality of air in any confined or indoor spaces.

17.6 Part 27 Compliance. As and to the extent required by Title 49 CFR Part 27, the Authority provides accessible facilities and services to individuals with disabilities and

mechanical lifts for enplaning and deplaning passengers with disabilities for all Airlines (both foreign and domestic) that do not have access to passenger loading bridges. Access to services and mechanical lifts can be achieved by contacting the Airport Operations Center at the Airport. Maintenance and service records are available upon request by contacting the Airport Operations Center or making a formal public records request to the Authority. The shifting of responsibility to Airlines for compliance with some or all of these requirements may be done by separate agreement between the Authority and the Airlines.

ARTICLE 18 GENERAL PROVISIONS

18.1 Subordination to Bond Resolution.

(a) This Resolution, and all privileges granted to the Airlines hereunder, are expressly subordinated and subject to the lien, covenants (including the rate covenants), and provisions of the Bond Resolution. To the extent this Resolution is inconsistent with the Authority's requirements under the Bond Resolution, this Resolution shall be deemed amended to the extent and for the duration needed to allow the Authority to comply with such Bond Resolution requirements. To the extent required by the Bond Resolution or law, the holders of the Bonds, or their designated representatives, shall have the right to exercise any and all rights of the Authority hereunder.

(b) With respect to property assigned by the Authority to an Airline hereunder, which was or is to be acquired or constructed by the Authority with proceeds of Bonds, the interest on which is, or is intended to be, excludable from the gross income of the holders of such Bonds for federal income tax purposes, each such Airline shall protect the tax-exempt status of the Bonds.

(c) Each Airline shall execute all instruments, certificates, or other documents reasonably requested by the Authority to assist the Authority and bond counsel in determining and assuring that Bonds are issued in compliance with applicable rules and regulations of the Internal Revenue Service and the Securities and Exchange Commission, and each Airline shall provide whatever additional relevant information is reasonably requested by the Authority initially or on an ongoing basis in connection with complying with any of those rules and regulations.

18.2 Passenger Facility Charge. The Authority reserves the right to assess and collect PFCs subject to the terms and conditions set forth in the Aviation Safety and Capacity Expansion Act of 1990, now Codified as 49 U.S.C. §40117, and implementing regulations as may be supplemented or amended from time to time. Each Airline shall collect and pay all PFC's for which it is responsible under applicable law or regulation.

18.3 Use of Airline Premises. Consistent with the nature of each Airline's business, each Airline's occupancy of its Airline Premises will be lawful and quiet and each Airline will not knowingly use or permit the use of Airline Premises in any way that would violate the terms of this Resolution or any Letter of Authorization, create a nuisance, or disturb other tenants or the general public. Each Airline shall be responsible for the activity of its officers, employees, agents, and others under its control with respect to this provision

18.4 Performance. Time is of the essence with respect to the obligations in this Resolution and in each Letter of Authorization.

18.5 Avigation Rights. The Authority reserves unto itself, its successors, and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport, including Airline Premises, for navigation or flight in such airspace for landing on, taking off from, or operating at the Airport.

18.6 Rules and Regulations and Operational Directives.

(a) Each Airline, its officers, employees, agents, and others under its control shall observe and obey all laws, regulations, and orders of the federal, state, county, municipal governments and the Authority (acting in its governmental capacity) applicable to such Airline's operations at the Airport.

(b) The Executive Director and/or Authority staff may, from time to time, adopt, amend, or revise the Authority Policies and Procedures for reasons of safety, health, preservation of property, or the good, efficient and orderly appearance and/or operation of the Airport. Each Airline, and its officers, employees, agents, and others under its control, shall faithfully comply with and observe all lawful Authority Policies and Procedures, of which Airline has received actual or constructive notice.

(c) Each Airline shall be strictly liable and responsible for obtaining, maintaining current, and fully complying with, any and all permits, licenses, and other governmental authorizations, however designated, as may be required at any time by any federal, state, or local governmental entity or any court of law having jurisdiction over such Airline or such Airline's operations and activities.

18.7 Inspection. The Authority's authorized representatives shall have access to Committed Premises for the purpose of examining and inspecting such premises, for purposes necessary, incidental to, or connected with the performance of its operational obligations, or, in the exercise of its governmental functions. Except in the case of an emergency, the Authority shall conduct such inspections during reasonable business hours, after reasonable prior notice to an Airline and in the presence of such Airline's representative.

18.8 Titles. Paragraph titles are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or extent of any provision of this Resolution.

18.9 Severability. In the event that any covenant, condition, or provision of this Resolution is held to be invalid by any court of competent jurisdiction, the invalidity of such covenant, condition, or provision shall not materially prejudice either the Authority or any Airline in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Resolution or any Letter of Authorization.

18.10 Other Agreements. Other than as set forth herein, nothing contained in this Resolution shall be deemed or construed to nullify, restrict, or modify in any manner the

provisions of any other lease or contract between the Authority and an Airline authorizing the use of the Airport, its facilities, and appurtenances.

18.11 Approvals. Unless otherwise stated, whenever the Resolution calls for approval by the Authority, such approval shall be evidenced by the written approval of the Executive Director.

18.12 Notice.

(a) All notices, requests, consents, and approvals served or given under this Resolution shall be served or given in writing with proof of delivery. If intended for the Authority, notices shall be delivered to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, FL 32827-4399

or to such other address as may be designated by the Authority by written notice to Airline.

(b) Notices to an Airline shall be delivered to the address on file with the Director of Board Services of the Authority, or to such other address as may be designated by an Airline by written notice to the Authority.

18.13 Agent For Service. Each Airline shall, upon request, notify the Authority, in writing, of the name and address of its agent for service of process in Florida. Such service shall be made as provided by the laws of the State of Florida for service upon a non-resident engaging in business in the State of Florida.

18.14 Governing Law and Legal Forum. This Resolution, all Letters of Authorization and all Operating Permits are to be read and construed in accordance with the laws of the State of Florida. Exclusive venue for all dispute resolution, including litigation, concerning or arising out of this Resolution, all Letters of Authorization and all Operating Permits shall be in Orange County, Florida.

18.15 Third-Party Beneficiary. Each Airline understands and agrees that the City is a third party beneficiary to this Resolution, each Letter of Authorization and each Operating Permit, with full rights of enforcement therein.

18.16 Most Favored Nation Clause. In the event the Authority offers an Airline the opportunity to use the Airfield and Terminal on terms and conditions that are materially different, and more favorable than the terms and conditions described herein, such offer shall also be made to all similarly situated Airlines (e.g. an Airline that makes substantially similar use of the Airport, operates substantially similar aircraft and utilizes substantially similar facilities as

the Airline offered the more favorable terms and conditions), subject to the same conditions and limitations as the original offer. The foregoing Authority obligation shall not apply to lawfully permitted incentive programs.

18.17 No Individual Liability. No member, officer, agent, director or employee of either the Authority or an Airline shall have any personal liability under this Resolution for the failure of the Authority or such Airline, as applicable, to comply with the terms hereof.

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This Amended and Restated Resolution was approved and adopted by the Greater Orlando Aviation Authority on August 10, 2016.

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____

Frank Kruppenbacher
Chairman

ATTEST:

By: _____

Dayci S. Burnette-Snyder
Assistant Secretary

RATE AND REVENUE SHARING AGREEMENT

This Rate and Revenue Sharing Agreement is made as of this ____ day of _____, 201__ by and between the Greater Orlando Aviation Authority (the "Authority") and _____ ("Airline").

Background

A. The Authority has adopted rates and charges for operations at Orlando International Airport (the "Airport") by Airlines pursuant to a resolution of the Authority's Board dated August 10, 2016, to be effective October 1, 2016, as such may be amended from time to time (the "Rate Resolution").

B. The Authority has offered to share Net Shared Revenues with the passenger Airlines in exchange for certain promises by the Airlines concerning space commitments and acceptance by the Airlines of the Rate Resolution and the methodology for calculating rates and charges thereunder.

Agreement

NOW, THEREFORE, in consideration of the promises set forth herein, the Authority and Airline hereby agree as follows:

1. Definitions.

(a) "Airport Exclusive Revenue Sources" shall mean (i) that certain real property commonly referred to as the "Poitras Property", (ii) rail, rail corridors or rail terminals, if any, and (iii) the Airfield.

(b) "Net Shared Revenues" shall mean (i) Sixty Five Percent (65%) of all Remaining Revenues up to Remaining Revenues of Thirty Nine Million Dollars (\$39,000,000) for Fiscal Year 2017, Forty Million Dollars (\$40,000,000) for Fiscal Year 2018 and Fifty Eight Million Dollars (\$58,000,000) for Fiscal Year 2019, and then (ii) the next Ten Million Dollars (\$10,000,000) of Remaining Revenues, and then (iii) Sixty Five Percent (65%) of all Remaining Revenues thereafter.

(c) "Participating Airlines" shall mean all passenger Airlines that have executed and are parties to an effective Rate and Revenue Sharing Agreement for the applicable Fiscal Year.

(d) "Participating Operating Payments" shall mean all Landing Fees, FIS Fees, Common Use Baggage Charges, Facility Fees paid for the use of bag make-up space, and Rates and Charges paid for Committed Premises under a Letter of Authorization for the use and occupancy of Terminal facilities and the Terminal Apron by a passenger Airline, which, for the avoidance of doubt, excludes all Facility Fees (other than Facility Fees paid for the use of bag make-up space), ramp parking fees, RON fees and certain ancillary charges, such as phone or utility charges.

(e) "Rate and Revenue Sharing Agreement" shall mean an agreement between the Authority and an Airline in a form substantially similar to this agreement.

(f) "Remaining Revenues" shall mean the amount by which (i) the difference between (A) all Revenues generated by the operation of the Airport for a Fiscal Year (with the exception of, and not including, Revenues generated from the operation, use, sale, lease or other exploitation of Airport Exclusive Revenue Sources), minus (B) all Debt Service and O&M Expenses and Operating Reserves incurred in connection with the operation of the Airport (with the exception of, and not including, any such expenses in the Airfield) for such Fiscal Year exceeds; (ii) Sixty Five Million Dollars (\$65,000,000) in each of Fiscal Years 2017, 2018 and 2019.

(g) "Revenue Share Percentage" shall equal a fraction, the numerator of which is the total amount of Participating Operating Payments paid to the Authority by Airline, on behalf of itself and its Identified Affiliates, for a Fiscal Year and the denominator of which is the total amount of Participating Operating Payments paid to the Authority by all Participating Airlines, on behalf of themselves and their Identified Affiliates, for a Fiscal Year.

(h) Capitalized terms not defined herein shall have the definitions assigned to such terms in the Rate Resolution.

2. Airline Covenants.

(a) Airline agrees not to challenge the Rate Resolution, the rate making methodology thereunder (the "Methodology"), or the rates and charges determined in accordance with the Methodology for a period of three (3) years (i.e. Fiscal Years 2017, 2018 and 2019). The agreement of Airline in this paragraph means that Airline shall not file, participate in, finance, contribute to or otherwise support a formal complaint or lawsuit with, or a specific request for action to, the United States Department of Transportation ("USDOT"), the Federal Aviation Administration ("FAA"), or any state or federal court objecting to or challenging the Authority's Rate Resolution, the rates and charges determined thereunder, or the rate Methodology therein, including but not limited to commencing a "rocket docket" proceeding under 49 U.S.C. § 47129 with the USDOT or a Part 16 complaint with the FAA.

(b) Airline agrees to pay Rates and Charges for its use and occupancy of space, facilities and equipment at the Airport calculated in accordance with the Methodology for Fiscal Years 2017, 2018 and 2019, and acknowledges that this Agreement constitutes a written agreement with air carriers within the meaning of 49 U.S.C. § 47129(e)(1).

(c) Airline shall execute a Letter of Authorization committing to occupy and use at least one gate/holdroom area and corresponding ticket counter, queue space and bag make-up space, as prescribed by Airport Policies and Procedures, through September 30, 2019.

3. Authority Covenants.

(a) (i) In the event Airlines accounting for seventy five percent (75%) or more of the enplaned passengers at the Airport for the twelve (12) months ending September 30,

2016 sign a Rate and Revenue Sharing Agreement on or prior to October 1, 2016, the Authority will agree not to materially modify the Methodology through Fiscal Year 2019. Airline acknowledges that Rates and Charges are likely to, and are permitted to, change from year to year, even though the rate Methodology does not change.

(ii) Notwithstanding the foregoing, in the event (1) the Methodology is successfully challenged by one or more Airlines, whether or not such Airlines signed a Rate and Revenue Sharing Agreement, (2) the Authority deems it to be in the Authority's best interest to settle such a challenge, (3) the Authority is otherwise required to modify the Methodology in accordance with applicable law, regulation or directive, or (4) Airlines accounting for seventy five percent (75%) or more of the enplaned passengers for the most recent twelve (12) full months preceding an agreement to change the Methodology do agree with the Authority on changes to the Methodology, then the Authority shall be released of its obligation under Section 3(a)(i) above not to materially modify the Methodology.

(iii) In the event the Authority materially modifies the Methodology for any reason other than as set forth in Section 3(a)(ii)(4) then (1) Airline's agreement in Sections 2(a) and (b) above shall terminate and be of no further force and effect for any Fiscal Year affected by such material modifications, and (2) Airline shall have the option, for a period of sixty (60) days after receipt of notice of such material modification, to terminate the remaining period of the Letter of Authorization signed pursuant to Section 2(c) above; and upon any subsequent challenge by Airline to the Rate Resolution, the materially modified Methodology or rates and charges determined in accordance with the materially modified Methodology or upon the termination of the Letter of Authorization, the obligation of the Authority to make any Revenue Sharing Payment hereunder shall terminate and be of no further force and effect and Airline shall reimburse to the Authority all Revenue Sharing Payments made to Airline hereunder for the Fiscal Years to which the challenge relates or for which the Letter of Authorization was terminated.

(b) (i) For each Fiscal Year from Fiscal Year 2017 through Fiscal Year 2019, Authority will pay to Airline an amount equal to Airline's Revenue Share Percentage of any Net Shared Revenues generated in such Fiscal Year ("Revenue Sharing Payment").

(ii) In the event of a breach by Airline of this Agreement and, in the case of a failure to timely pay Rates and Charges under Section 2(b) above, such breach is not cured within fifteen (15) business days after written notice to Airline, (1) the obligation of Authority to make any Revenue Sharing Payment hereunder shall terminate and be of no further force and effect, and (2), except in the case where such breach was a failure to timely pay Rates and Charges under Section 2(b) above, Airline shall reimburse to the Authority all Revenue Sharing Payments previously made to Airline hereunder. Reimbursed Revenue Sharing Payments shall be retained by the Authority and not redistributed to Airline or any other Airlines.

(iii) Authority shall use commercially reasonable efforts to pay to Airline the Revenue Sharing Payment owed to Airline each Fiscal Year within thirty (30) days after acceptance of the audit for the applicable Fiscal Year by the Authority Board. To the extent reliable information is available to the Authority to make Revenue Sharing Payment calculations,

the Authority will pay seventy five percent (75%) of the estimated final Revenue Sharing Payment on or before December 31 of each year for the prior Fiscal Year.

(iv) In the event the Authority is prohibited by applicable law or regulation from sharing Revenues from any particular source, the Authority and Airline agree that Revenues from such source shall not be shared. In such case, the Authority shall identify specific sources from which Revenues may be shared and, to the extent possible, attribute Net Shared Revenues as being derived from such sources.

(v) The Authority shall be entitled to offset any Revenue Sharing Payment payable to an airline by any amounts owed by such Airline to the Authority; provided that such offset shall not eliminate Airline's right to object to the Authority's determination of the amount owed by Airline.

4. Notice.

(a) All notices, requests, consents, and approvals served or given under this Agreement shall be served or given in writing with proof of delivery. If intended for Authority, notices shall be delivered to:

Executive Director
Greater Orlando Aviation Authority
Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399

or to such other address as may be designated by Authority by written notice to Airline.

(b) Notices to Airline shall be delivered to:

Attn.: _____

or to such other address as may be designated by Airline by written notice to Authority.

5. Amendment.

Except as specifically set forth herein, nothing herein shall amend, modify, or terminate the terms of the Rate Resolution or the terms of any Letter of Authorization or Operating Permit between the Authority and Airline.

6. Entire Agreement.

This Rate and Revenue Sharing Agreement is the entire agreement of the parties with respect to the subject matter herein, and supersedes all prior agreements relating to such subject matter, whether written or oral.

7. Governing Law, Jurisdiction, and Venue.

This Agreement shall be governed by the laws of the State of Florida. The parties hereto consent to the personal jurisdiction of, and agree that exclusive venue for any and all actions or lawsuits filed in connection with the Agreement shall be in, the state and federal courts in and for Orange County, Florida or the Middle District of Florida.

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This agreement has been executed by the parties as of the date set forth above.

	_____	Greater Orlando Aviation Authority
By:	_____	By: _____
Name:	_____	Name: _____
Title:	_____	Title: _____

Signature Page for Rate and Revenue Sharing Agreement

APPENDIX E

**AUDITED FINANCIAL STATEMENTS
AND REPORT OF THE INDEPENDENT AUDITORS
THEREON FOR THE FISCAL YEARS
ENDED SEPTEMBER 30, 2015 AND 2014**

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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Authority Board
Greater Orlando Aviation Authority
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Greater Orlando Aviation Authority (the "Authority") as of and for the fiscal years ended September 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2015 and 2014, and the changes in its financial position and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended September 30, 2015, the Authority adopted the provisions of Governmental Accounting Standards Board Statement ("GASBS") 68, *Accounting and Financial Reporting for Pensions* and GASBS 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As a result of the implementation of GASBS 68 and 71, the Authority reported a restatement for the change in accounting principle as of October 1, 2013. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, supplemental schedules, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2016, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 9, 2016

■ **Management's Discussion
and Analysis**

management's discussion and analysis (unaudited)

The following discussion and analysis of the Greater Orlando Aviation Authority (the Authority) provides an introduction to the basic financial statements for the fiscal years ended September 30, 2015 and 2014 with selected comparative information for the fiscal year ended September 30, 2013. This discussion has been prepared by management and should be read in conjunction with the basic financial statements, footnotes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the Authority's finances.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is structured as an enterprise fund with separate accounts for Orlando International Airport and Orlando Executive Airport. The financial statements are prepared on the accrual basis of accounting. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are capitalized and depreciated, except for land and assets held for future use, over their useful lives. See "Notes to the Financial Statements" for a summary of the Authority's significant accounting policies and practices.

The Statements of Net Position present information on all of the Authority's assets, deferred outflows, liabilities and deferred inflows, with the difference between total assets and deferred outflows and total liabilities and deferred inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial position.

The Statements of Revenues, Expenses and Changes in Net Position present information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The Statements of Cash Flows report the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in these statements. A reconciliation follows these statements to assist in the understanding of the difference between cash flow from operating activities and operating income.

AUTHORITY ACTIVITY HIGHLIGHTS

Overall, total enplanements increased 7.4 % during fiscal year 2015 while operations increased by 6.1%. The increase in enplanements was due to an increase in domestic and international travelers. During fiscal year 2014 total enplanements were slightly up at Orlando International Airport with a 0.6% increase from fiscal year 2013, due to an increase in international travelers, while operations decreased by 1.6%. Fiscal year 2013 saw slight decreases due to reduced domestic seat capacity.

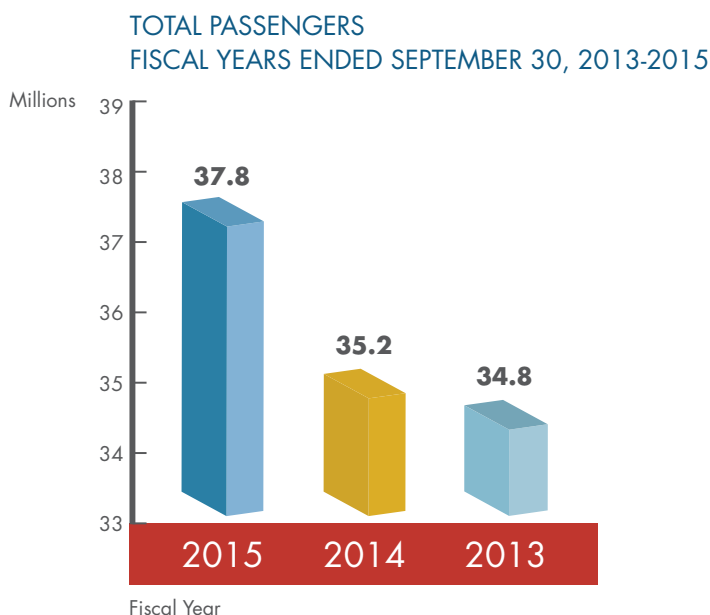
The following chart shows total enplaned passengers and flight operations (landings and take-offs) at Orlando International Airport for a three-year comparative period:

ENPLANEMENTS AND OPERATIONS ACTIVITY FOR 2013 TO 2015

	2015	2014	2013
Enplaned Passengers	18,827,098	17,534,998	17,427,267
Operations	288,766	272,208	276,554

Total passengers served by the Authority during fiscal year 2015 increased by approximately 2.6 million from fiscal year 2014. This follows an increase of approximately 0.4 million total passengers during fiscal year 2014. The Authority continues to monitor changes in passenger levels, making adjustments when necessary to accommodate the demands on the airport facilities.

The following graph represents total passenger activity at Orlando International Airport for the fiscal years ended September 30:



FINANCIAL HIGHLIGHTS

Revenues

Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For The Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board on October 16, 2013 (the "Resolution"). The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. Any airline may commit to use certain terminal space on an exclusive or preferential basis and, as a result, pay a fixed monthly charge for such space. Otherwise, airlines pay for terminal space assigned by the Authority on a per use basis.

Effective November 1, 2013, airlines had the option to sign a Rate and Revenue Sharing Agreement ("Rate Agreement"), whereby the airline affirmatively agreed to the Resolution and the rate-setting methodology therein, and further agrees not to challenge the rates and charges calculated under the Resolution's rate-setting methodology through any judicial or regulatory process throughout the term of the agreement which expires on September 30, 2016. Airlines that sign, and comply with the terms of, a Rate Agreement with the Authority are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses, including fund deposit requirements ("Net Remaining Revenues"). The Authority received the first \$50 million and \$45 million of Net Remaining Revenues for FY 2015 and 2014 respectively, with participating airlines sharing in a pool of all Net Remaining Revenues in excess of this amount. The Participating Airline revenues for fiscal year 2015 and 2014 represented approximately 28% of total operating revenue.

Prior to November 1, 2013, the Authority operated under an Airline-Airport Lease and Use Agreement (ALUA) with certain airlines (the Signatory Airlines) serving the Airport. The ALUA which expired on September 30, 2013, provided for a compensatory rate-making methodology for use of the terminal facilities, a cost center residual rate-making methodology to establish landing fees for the use of the airfield, revenue sharing between the Authority and Signatory Airlines, and an Extraordinary Coverage Protection provision. During the month of October 2013, the Authority continued to operate under the ALUA which was originally scheduled to expire on September 30, 2013.

The ALUA provided for the sharing of revenues after the payment of debt service and other fund deposit requirements (net remaining revenues) with the Signatory Airlines. The net remaining revenues for fiscal year 2013 was divided between the Authority and Signatory Airlines using an allocation percentage of 75% and 25%, respectively. The Signatory Airline revenues for fiscal years 2013 represented 25% of total operating revenue.

The Authority's total revenues increased in fiscal year 2015 mainly due to an increase in airline revenues, parking revenues, rental car revenues, and hotel revenues. Those results are as follows:

TOTAL REVENUES (IN THOUSANDS)

	2015	2014	2013
Total Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601
Total Nonoperating Revenues	103,506	95,970	91,179
Total Revenues	\$ 534,248	\$ 495,218	\$ 471,780

Operating Revenues

Overall, the operating revenues of the Authority increased \$31.5 million in fiscal year 2015, or 7.9% from the previous year due to greater airline, parking, rental car and hotel revenues. Participating Airline Revenue increased \$10.6 million or 9.3% as a result of an increase in baggage system fees that were introduced with the Resolution effective November 1, 2013. Fiscal year 2015 was the first full year of baggage system fees as compared to only 11 months in the prior fiscal year. Non-Participating Airline Revenue increased \$3.0 million or 15.1% due in large part to an increase in federal inspection station and facilities fees consistent with the increase in international passengers and an increase in apron use fees. Overall Concession Revenues increased \$0.9 million or 1.5%. Food and Beverage and General Merchandise combined revenues increased \$2.7 million or 7.1% while Service Concession and Other Terminal Area Revenues decreased \$0.3 million or 1.3% as a result of the removal of the specialty DVD kiosk. Ground Transportation revenues increased \$10.0 million or 6.8% primarily due to an increase in rental car company and parking revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$4.2 million or 12.7% increase in hotel revenues.

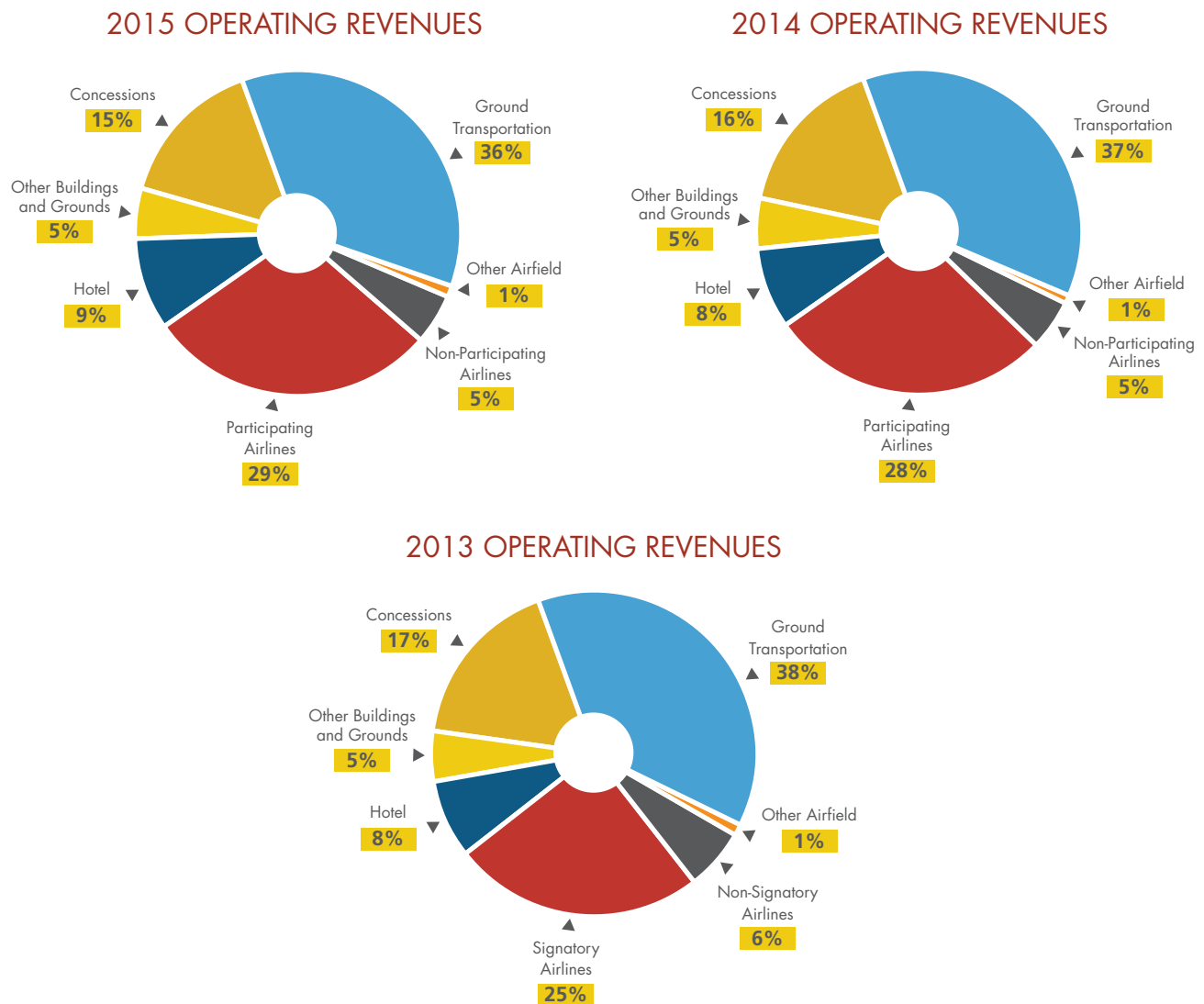
Overall, the operating revenues of the Authority increased \$18.6 million in fiscal year 2014, or 4.9% from the previous year due to greater airline, and rental car revenues. Participating Airline Revenue increased \$16.8 million or 17.3% as a result of a new baggage system charge. Non-Participating Airline Revenue decreased \$2.6 million or 11.6% due in large part to Aero Mexico becoming a participating airline during fiscal year 2014. Overall Concession Revenues decreased \$1.0 million or 1.6%. Food and Beverage and General Merchandise combined revenues increased \$1.6 million or 4.3% while Service Concession and Other Terminal Area Revenues decreased \$2.6 million or 9.4% primarily due to a reduction in the non-airline terminal rental rate. Ground Transportation revenues increased \$4.4 million or 3.1% primarily due to an increase in rental car company revenue. An increase in the average room rate and slight increase in food and beverage sales contributed to the \$0.9 million or 2.8% increase in hotel revenues.

OPERATING REVENUES BY MAJOR SOURCE (IN THOUSANDS)

	2015	2014	2013
Participating Airlines ⁽¹⁾			
Landing Fees	\$ 28,595	\$ 27,046	\$ 26,786
Terminal Area Rents	50,746	49,608	65,196
Other Participating Revenue	44,836	36,911	4,825
Participating Airline Revenues	124,177	113,565	96,807
Non-Participating Airlines ⁽¹⁾			
Landing Fees	3,292	2,902	3,830
Terminal Area Rents	806	525	1,133
Other Non-Participating Revenue	18,453	16,164	17,194
Non-Participating Airline Revenues	22,551	19,591	22,157
Other Airfield Revenues	2,196	2,134	2,230
Concession			
General Merchandise	21,219	19,893	19,071
Food and Beverage	19,526	18,144	17,395
Services	11,066	11,659	11,760
Other Terminal Area	13,863	13,587	16,115
Concession Revenues	64,218	63,283	64,341
Ground Transportation			
Rental Car (RAC)	91,835	87,018	83,345
Parking Facilities	53,970	50,050	49,801
Other Ground Transportation	12,443	11,167	10,658
Ground Transportation Revenues	158,248	148,235	143,804
Other Buildings and Grounds	20,512	19,260	18,877
Hotel	37,384	33,180	32,285
Total Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601

(1) Effective November 1, 2013, the airlines classifications have been changed to Participating from Signatory and changed to Non-participating from Non-signatory pursuant to the *Resolution* adopted by the Authority Board October 16, 2013, see Note 15.

The following charts show major sources and the percentage of operating revenues for the years ended September 30, 2015, 2014 and 2013:



Nonoperating Revenues

Nonoperating revenues consist of investment income, passenger facility charges (PFCs), customer facility charges (CFCs), and other nonoperating revenue. Investment income was \$3.1 million in fiscal year 2015, \$2.1 million in fiscal year 2014 and \$2.4 million in fiscal year 2013. Investment fair market value adjustment was \$1.9 million for fiscal year 2015, \$1.3 million for fiscal year 2014 and (\$3.0) million for fiscal year 2013. The fair market value adjustment reflects the unrealized gain or loss if the investment is sold prior to maturity. Since the Authority typically holds investments to maturity, these unrealized gains and losses would not be realized. PFC revenues were \$73.0 million in fiscal year 2015, \$67.5 million in fiscal year 2014 and \$67.0 million in fiscal year 2013. The increase in PFC revenues in fiscal year 2015 over fiscal year 2014 is due to an increase in passenger enplanements. The increase in PFC revenues in fiscal year 2014 over fiscal year 2013 is due to a slight increase in passenger enplanements. The Authority approved the collection of CFCs effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental car related facilities. Revenue related to the collection of CFCs amounted to \$25.0 million during fiscal year 2015, \$23.9 million during fiscal year 2014 and \$23.2 million during fiscal year 2013.

Operating Expenses

The Authority implemented Governmental Accounting Standard Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions (as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date). These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals, and expenses. As a result, the Authority restated the beginning net position of fiscal years 2014 and 2013. Also, certain affected expenses for 2014 and 2013 have been restated to reflect the effects of GASB Statement No. 68.

Operating Expenses before Depreciation increased \$26.1 million or 12.2% from fiscal year 2014 to 2015. Operation and facilities expenses increased due to an increase in baggage handling services costs, federal inspection services and other direct support for the increase in international travelers. Safety and security increased as a result of additional security staffing for international flights arriving during off hours. In addition repairs and maintenance projects increased including maintenance on passenger boarding bridges, as well as contractual increases in salaries and benefits and other professional services. There was also an increase in other professional services primarily due to the development of an enhanced customer service experience program and a new Air Service Incentive Plan (ASIP) effective for fiscal year 2015.

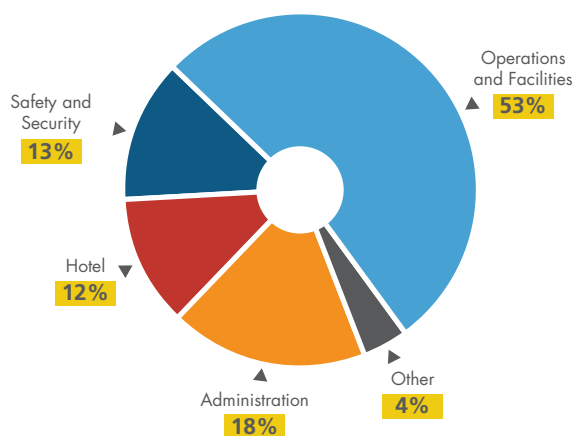
Operating Expenses before Depreciation increased \$1.6 million or 0.7% from fiscal year 2013 to 2014. Operation and facilities expenses increased due to an increase in baggage handling services costs. Safety and security increased as a result of additional costs for the law enforcement officers stationed at the security checkpoints, and increased pension costs associated with the OPD contract. Salaries and benefits increased due to a net increase of five positions and as result of a cost of living salary increase for Authority personnel. There was also an increase in other professional services primarily due to the development of an enhanced customer service experience program which began in fiscal year 2014, services for Payment Card Industry Data Security Standard Compliance and the Merchant Bank ePayment Gateway Program, and additional owner-authorized representative staff support services to planning and engineering.

OPERATING EXPENSES (IN THOUSANDS)

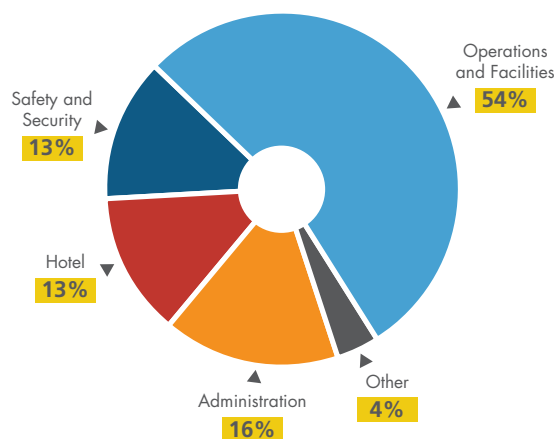
	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Operations and Facilities	\$ 128,305	\$ 116,635	\$ 118,459
Safety and Security	31,182	27,754	27,535
Administration	43,619	34,851	31,568
Hotel	28,168	26,604	26,425
Other	9,311	8,670	8,969
Total Operating Expenses			
Before Depreciation	240,585	214,514	212,956
Depreciation	119,878	119,503	119,899
Total Operating Expenses	\$ 360,463	\$ 334,017	\$ 332,855

The following charts show major cost centers and the percentage of operating expenses (excluding depreciation) for the years ended September 30, 2015, 2014 and 2013:

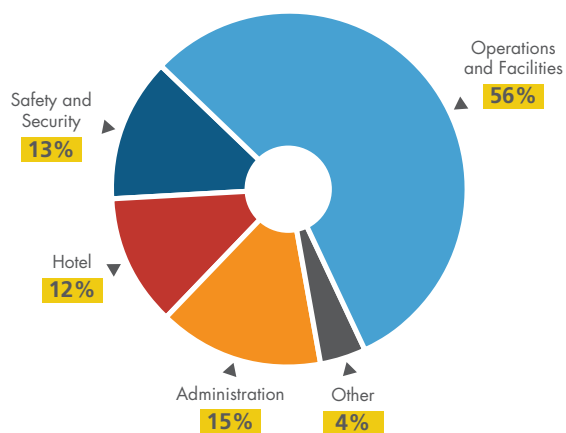
2015 OPERATING EXPENSES



2014 OPERATING EXPENSES (AS RESTATED)



2013 OPERATING EXPENSES (AS RESTATED)



Nonoperating Expenses

Nonoperating expenses consist of interest expense and Participating Airline net revenue sharing required by the Resolution. Interest expense amounted to \$46.6 million in fiscal year 2015, \$46.6 million in fiscal year 2014 and \$53.0 million in fiscal year 2013. Participating Airline net revenue sharing was \$60.8 million for fiscal year 2015, \$51.5 million for fiscal year 2014 and \$18.9 million for fiscal year 2013. In accordance with the Rate Agreement the Authority receives the first \$50.0 million of Net Remaining Revenues for FY 2015 versus \$45.0 million in 2014, with participating airlines receiving the excess of this amount. The participating airline revenue share also increased by 17.9% for the fiscal year 2015 over fiscal year 2014. This increase is primarily due to greater airline, parking, rental car and hotel revenues. The \$32.6 million or 172.3% increase in Participating Airline net revenue sharing in fiscal year 2014 over fiscal year 2013 is primarily due to an increase in airline revenue including baggage system fees, and rental car revenue.

TOTAL EXPENSES (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Total Operating Expenses	\$ 360,463	\$ 334,017	\$ 332,855
Total Nonoperating Expenses	107,391	98,122	71,912
Total Expenses	\$ 467,854	\$ 432,139	\$ 404,767

CAPITAL CONTRIBUTIONS

Capital contributions received from the federal, state and other governments amounted to \$35.3 million during fiscal year 2015. Grant funding received on major projects for fiscal year 2015 are as follows:

CAPITAL CONTRIBUTIONS (IN MILLIONS)

Intermodal Terminal Facility	18.0
Ticket Lobby	3.5
Taxiway Rehabilitation	2.7
Baggage System Optimization	2.4
East/West Checkpoint Glass	2.0
South APM Roadway	1.3
CCTV	1.2
South APM Guideway	1.1
APM	1.1
Tradeport	0.7
Other Projects (<\$0.5 million)	1.3
Total Capital Contributions	\$ 35.3

The changes in net position for the fiscal years ended September 30 are as follows:

CHANGES IN NET POSITION (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Operating Revenues	\$ 430,742	\$ 399,248	\$ 380,601
Operating Expenses	360,463	334,017	332,855
Operating Income	70,279	65,231	47,746
Net Nonoperating Revenues (Expenses)	(3,885)	(2,152)	19,267
Income Before Capital Contributions	66,394	63,079	67,013
Capital Contributions	35,330	31,995	21,749
Increase in Net Position	\$ 101,724	\$ 95,074	\$ 88,762

Financial Position

The Statement of Net Position presents the financial position of the Authority at the end of the fiscal year. The statement includes all assets, deferred outflows, liabilities and deferred inflows of the Authority. Net position is the difference between total assets and deferrals and total liabilities and is an indicator of the current fiscal health of the Authority. During fiscal year 2015 net position increased by approximately \$101.7 million, or 5.7% as compared with fiscal year 2014. The following is a summarized comparison of the Authority's assets, deferred outflows, liabilities, deferred inflows and net position at September 30:

NET POSITION (IN THOUSANDS)

	2015	2014 (AS RESTATED)	2013 (AS RESTATED)
Assets and Deferred Outflows:			
Current Assets	\$ 364,870	\$ 356,682	\$ 384,210
Noncurrent Assets	816,707	738,694	645,195
Capital Assets	1,944,305	1,880,223	1,904,233
Deferred Outflows of Resources	21,256	47,547	51,122
Total Assets and Deferred Outflows	3,147,138	3,023,146	2,984,760
Liabilities and Deferred Inflows:			
Current	269,825	223,735	230,377
Noncurrent Liabilities	981,203	1,002,194	1,061,051
Deferred Inflows of Resources	8,952	11,783	2,972
Total Liabilities and Deferred Inflows	1,259,980	1,237,712	1,294,400
Net Position:			
Net Investment in Capital Assets	1,036,735	1,029,036	996,583
Restricted	646,823	523,913	479,190
Unrestricted	203,600	232,485	214,586
Total Net Position	\$1,887,158	1,785,434	\$1,690,360

The majority of the Authority's net position at September 30, 2015 represents its investment in capital assets less the related indebtedness outstanding used to acquire those capital assets. The Authority uses these capital assets to provide services to the airlines and to its passengers and visitors to the airports; consequently, these assets are not available for future spending. The Authority's investment in its capital assets is reported net of related debt. The resources required to repay this debt must be provided annually from operations since it is unlikely that the capital assets themselves will be liquidated to pay the liabilities.

Net position restricted for debt service and capital acquisitions at September 30, 2015 represents funds that are subject to external restrictions under the Authority's Bond Resolution, PFCs that are restricted by federal regulations, and CFC's that are restricted by the Rental Car Agreements. Restricted assets necessary to meet current obligations are classified as current assets on the Statement of Net Position. Restricted assets that are restricted for disbursements in the acquisition or construction of non-current assets or that are segregated for the liquidation of long-term debts are classified as non-current assets. The unrestricted portion of net position, \$203.6 million at September 30, 2015, may be used to meet the Authority's ongoing obligations.

Airline Rates and Charges

Effective November 1, 2013 the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For The Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the "Resolution"). During the month of October 2013 the Authority continued to operate under the ALUA, which was originally scheduled to expire on September 30, 2013. During fiscal year 2013 the Authority operated under the ALUA relating to the use of the Orlando International Airport, the rental of space, and the establishment of landing fees with 16 airlines. For fiscal years 2015 through 2013, in the chart below, the actual landing fees and average terminal rental rate are shown. See the Airline Rates by Resolution (Note 15) for additional information.

AIRLINE RATES AND CHARGES

	RATES EFFECTIVE FOR FY 2015	RATES EFFECTIVE FOR FY 2014	RATES EFFECTIVE FOR FY 2013*
Terminal Average Square Foot Rate	\$ 113.07	\$ 106.04	\$ 102.99
Landing Fee – per 1,000 lbs. Unit (gross)	1.4444	1.4393	1.4421
Cargo Landing Fee – per 1,000 lbs. Unit	1.4444	1.4393	1.7784

*Signatory Airline rates and charges. Beginning November 1, 2013, rates are applicable to all airlines.

Passenger Facility Charges

As part of the Safety and Capacity Expansion Act of 1990, the Authority received approval from the Federal Aviation Administration (FAA) to impose a passenger facility charge per eligible enplaned passenger at Orlando International Airport and has imposed the PFC since February 1993. Effective July 1, 2007 the charge increased from \$3 to \$4.50. PFCs may be used to pay either eligible capital improvements or debt service on bonds issued to finance projects eligible for PFC funding. Through September 2015, the Authority has approved applications to impose PFCs of approximately \$2.8 billion to fund project costs of various airport improvements. PFC collections to date (including investment earnings) are \$1.1 billion. Expenditures on PFC approved projects and debt service to date are \$890 million.

Capital Acquisitions and Construction Activities

During fiscal year 2015, the Authority expended \$179.1 million on capital projects. This included \$2.3 million funded by FAA contributions, \$28.6 million funded by Florida Department of Transportation (FDOT) contributions, \$2.9 million funded by the Transportation and Security Administration (TSA), and \$25.4 million funded by CFCs. The balance was paid from tenant and other Authority funds, including PFCs. Of the grants noted previously, \$1.2 million funded by the TSA are American Recovery and Reinvestment Act of 2009 (ARRA) grants. See the Schedule of Expenditures of Federal Awards and State Financial Assistance in the Compliance section for additional information regarding grant expenditures.

Major projects completed and the amounts transferred to capital assets during the fiscal year are listed as follows (in millions):

Taxiway Rehabilitation – OEA	\$ 2.6
CCTV	1.4
Airfield – OIA	0.7
Relocation Maintenance Facility – OEA	0.7
Baggage Claim	0.7
Ticket Lobby Elevators	0.5
Other Projects (< \$0.5 million)	1.4
Total	\$ 8.0

Major projects under construction and the amounts expended during fiscal year 2015 are listed as follows (in millions):

Baggage System Optimization	\$ 21.7
South Airport Automated People Mover Complex	77.5
Intermodal Terminal Facility	18.7
Airside 4 Improvements	16.2
Cell Lot/Taxi Hold	9.5
Ticket Lobby Improvements	9.0
Airside 1 & 3 Automated People Mover	8.1
Taxiway Rehabilitation – OEA	2.9
Tradeport	2.7
Other Projects (<\$2.0 million)	12.8
Total	\$ 179.1

More detailed information about the Authority's capital assets is presented in Note 6 to the financial statements.

Debt Activities

The Authority has outstanding revenue bonds which are secured by a pledge of and lien on Revenues and Net Revenues as defined in the Bond Resolution. This senior indebtedness is expressly senior and superior to the pledge and lien securing other subordinated indebtedness.

Senior Indebtedness

Pursuant to the Bond Resolution, the Authority has issued various series of Airport Facilities Revenue Bonds to finance additions and improvements at the airport. The aggregate principal amount of such bonds outstanding as of September 30, 2015 was \$801 million.

On September 19, 2013 the Authority issued \$46.9 million in Airport Facilities Revenue Bonds, Series 2013A (AMT) (the "Series 2013A Bonds") with a true interest rate of 3.50%. The Series 2013A Bonds were issued for the purpose of providing funds, along with other available Authority funds of \$3.0 million, to finance costs of the Baggage Handling Systems Improvement Program; make a deposit to the Composite Reserve Subaccount in an amount sufficient to cause the balance to equal the Composite Reserve Requirement, pay capitalized interest on the 2013A Bonds, and to pay certain costs of issuance of the Series 2013A Bonds.

On September 4, 2013 the Authority issued \$35.9 million in Airport Facilities Refunding Revenue Bonds, Series 2013B (the "Series 2013B Bonds") with a true interest rate of 1.65%. From the \$35.9 million issuance and the \$3.2 million of Authority funds, \$38.9 million was deposited into the Bank of New York escrow account to refund the outstanding \$38.0 million of Airport Facilities Refunding Revenue Bonds, Series 2003A and pay associated interest of \$0.9 million. The remaining Series 2013B Bond proceeds of \$0.2 million were used to pay related issuance costs.

Subordinated Indebtedness

Other parity subordinated indebtedness as defined in the Master Trust Indenture currently consists of the Gulf Breeze Loan Agreements and the Lines of Credit Indebtedness. Other parity subordinated indebtedness is payable from revenues deposited into the Discretionary Account and subordinate to senior indebtedness of the Authority. As of September 30, 2015 the aggregate principal amount of all other parity-subordinated indebtedness was \$183.6 million.

Gulf Breeze Loan Agreements

Between 1991 and 1993 the Authority borrowed a total of \$35 million at a variable interest rate from the City of Gulf Breeze, Florida, Local Government Loan Program, to finance a portion of the costs of the Airport's hotel. On July 1, 1998 the Authority remarketed these bonds to fixed rates. The aggregate principal amount of such bonds outstanding as of September 30, 2015 was \$2.9 million.

Lines of Credit

The Authority uses the lines of credits as a source of interim financing for capital projects in anticipation of issuance of long term bonds and/or receipt of grants and PFCs, CFCs, Authority Funds and/or other permanent funding sources. As of September 30, 2015 the Authority had drawn \$180.7 million on the lines of credit.

In December 2009, the Authority entered into a three-year agreement with Wells Fargo Bank, N.A. to provide the Authority with a \$100 million subordinated line of credit. The Wells Fargo Line of Credit had a scheduled expiration date of December 1, 2012. In July 2012 the Authority and Wells Fargo agreed to extend the line of credit to February 2015. Effective July 2014 the line of credit was increased to \$250 million; subsequently the Authority and Wells Fargo agreed to extend the line of credit to August 31, 2015. In July 2015 the Authority entered into a new three-year agreement with Wells Fargo to provide the Authority with a \$250 million subordinated line of credit with an expiration date of June 29, 2018. The 2009 agreement with Wells Fargo was simultaneously terminated. As of September 30, 2015 the Authority had a \$137.5 million outstanding balance on the Wells Fargo Line of Credit.

In May 2013 the Authority entered into a three-year agreement with Bank of America, N.A. to provide the Authority with a \$150 million subordinated line of credit. Effective July 2014 the line of credit was increased to \$200 million. The term of the Bank of America Line of Credit expires April 1, 2016. As of September 30, 2015 the Authority had a \$43.2 million outstanding balance on the Bank of America Line of Credit.

Secondary Subordinated Indebtedness

In August 2015 the Authority paid off the Secondary Subordinated Revenue Bonds Series 1997B, with a line of credit. The swap associated with the bond was simultaneously terminated. The Authority intends to issue subordinate debt during fiscal year 2016 and refund the line of credit.

Special Purpose Facilities Bonds

The Authority has issued Special Purpose Facilities Taxable Revenue Bonds, Series 2009 to construct a Rental Car Quick Turn Around and Support Facility. These bonds are payable solely from and secured by a pledge of Pledged Revenues derived by the Authority from CFCs. The principal amount of such bonds outstanding as of September 30, 2015 was \$25.8 million.

Debt Service Coverage

Airport revenue bond covenants require that revenue available to pay debt service, as defined in the Bond Resolution, be equal to or greater than 1.25 times the debt service on the senior lien airport revenue bonds and 1.00 times the debt service on subordinated bonds and other parity indebtedness. Coverage ratios for the past three years are shown in the following table:

COVERAGE RATIOS

	2015	2014	2013
Senior lien debt	2.15	2.06	1.63
All indebtedness	2.02	1.93	1.56

More detailed information about the Authority's noncurrent liabilities is presented in Note 11 to the financial statements.

Request for Information

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any information provided in this report or request for additional information should be addressed to the Chief Financial Officer, Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, FL 32827-4392.



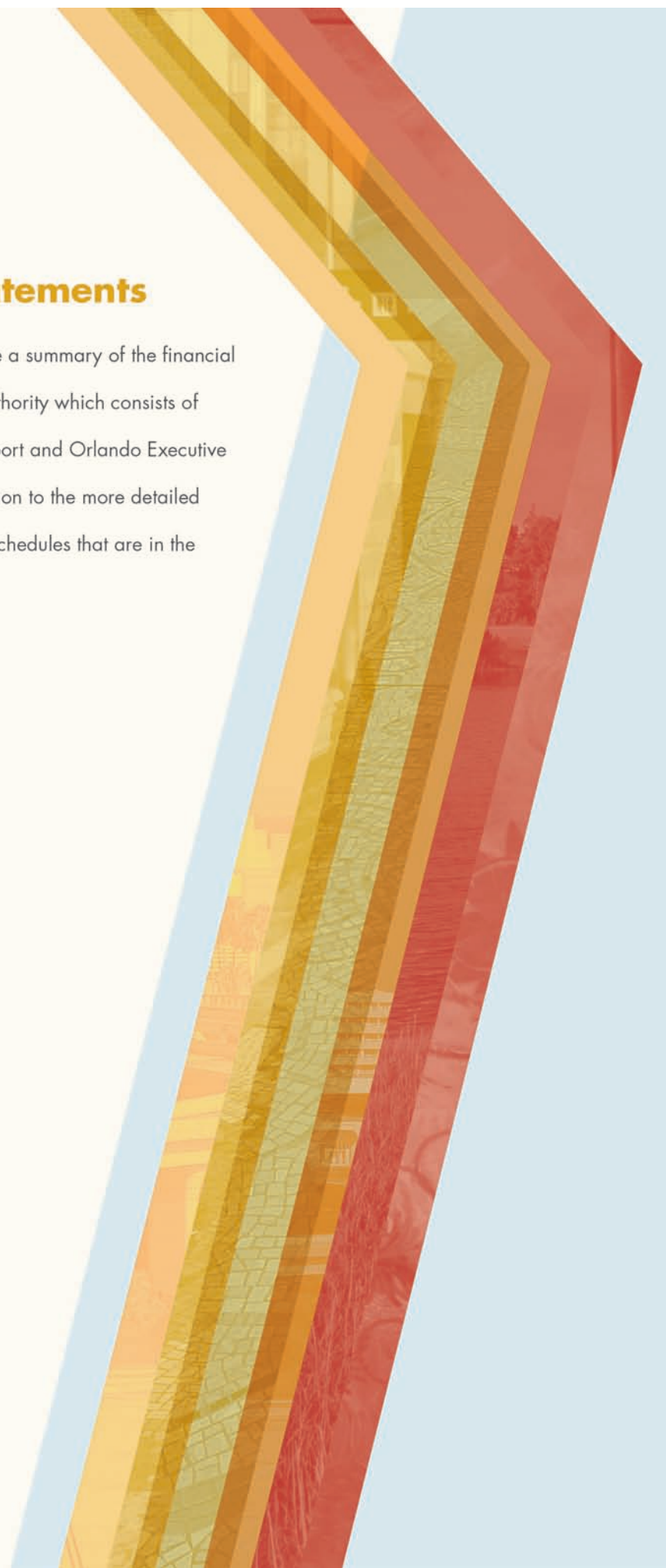
Jacki Churchill
Chief Financial Officer



Kathleen M. Sharman
Director of Finance



greater orlando
AVIATION AUTHORITY
Orlando, Florida



Basic Financial Statements

These basic financial statements provide a summary of the financial position and operating results of the Authority which consists of two airports, Orlando International Airport and Orlando Executive Airport. They also serve as an introduction to the more detailed financial statements and supplemental schedules that are in the following subsections.



greater orlando
AVIATION AUTHORITY
Orlando, Florida

GREATER ORLANDO AVIATION AUTHORITY
COMBINED STATEMENTS OF NET POSITION
As of September 30, 2015 and 2014
(in thousands)

ASSETS AND DEFERRALS	2015	2014 (As Restated)
Current Assets		
Cash and cash equivalents	\$ 189,273	\$ 141,927
Restricted cash and cash equivalents	149,804	122,197
Accounts receivable, less allowance for uncollectibles of \$139 and \$142	14,356	14,038
Investments	2,497	71,966
Interest receivable	71	106
Due from other governmental agencies	1,909	641
Prepaid expenses and inventory	6,960	5,807
Total current assets	<u>364,870</u>	<u>356,682</u>
Noncurrent Assets		
Restricted assets:		
Cash and cash equivalents	410,959	304,435
Accounts receivable	9,568	10,280
Investments	306,975	321,747
Interest receivable	800	422
Due from other governmental agencies	12,307	13,561
Prepaid expenses	848	246
Total restricted assets	<u>741,457</u>	<u>650,691</u>
Unrestricted assets:		
Investments	67,593	81,042
Prepaid expenses	387	783
Employee postemployment benefits assets	7,270	6,178
Total unrestricted assets	<u>75,250</u>	<u>88,003</u>
Capital assets, net of accumulated depreciation:		
Property and equipment	1,314,092	1,390,439
Property held for lease	361,746	392,486
Construction in progress	268,467	97,298
Total capital assets, net of accumulated depreciation	<u>1,944,305</u>	<u>1,880,223</u>
Total noncurrent assets	<u>2,761,012</u>	<u>2,618,917</u>
Total assets	<u>3,125,882</u>	<u>2,975,599</u>
Deferred outflows of resources	<u>21,256</u>	<u>47,547</u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
COMBINED STATEMENTS OF NET POSITION
As of September 30, 2015 and 2014
(in thousands)

LIABILITIES, DEFERRALS, AND NET POSITION	2015	2014 (As Restated)
Current Liabilities		
Accounts payable and accrued liabilities	\$ 30,318	\$ 23,521
Unearned revenue	2,025	2,978
Deposits	6,298	6,499
Advance rent from tenants, current	7,349	5,274
Due to other governmental agencies	4,480	6,809
Accrued airline revenue sharing	69,551	56,457
Payable from restricted assets:		
Accrued interest	19,708	22,188
Accounts payable and accrued liabilities	50,695	25,552
Unearned revenue	-	6
Due to other governmental agencies	46	1,131
Revenue bonds payable, current	79,355	73,320
Total current liabilities	<u>269,825</u>	<u>223,735</u>
Noncurrent Liabilities		
Net pension liability	14,753	19,014
Line of credit, long-term	180,695	29,700
Revenue bonds payable, long-term	760,309	948,322
Advance rent from tenants, long-term	1,364	1,558
Other long-term liabilities	24,082	3,600
Total noncurrent liabilities	<u>981,203</u>	<u>1,002,194</u>
Total liabilities	<u>1,251,028</u>	<u>1,225,929</u>
Deferred inflows of resources	<u>8,952</u>	<u>11,783</u>
Net Position		
Net investment in capital assets	1,036,735	1,029,036
Restricted for:		
Debt service	106,582	97,787
Capital acquisitions and construction	540,241	426,126
Unrestricted	<u>203,600</u>	<u>232,485</u>
Total Net Position	<u><u>\$ 1,887,158</u></u>	<u><u>\$ 1,785,434</u></u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 For the Years Ended September 30, 2015 and 2014
 (in thousands)

	2015	2014 (As Restated)
Operating Revenues		
Airfield area	\$ 38,324	\$ 35,300
Terminal area	176,589	163,547
Ground transportation	158,248	148,235
Other buildings and grounds	20,197	18,986
Hotel	37,384	33,180
Total operating revenues	<u>430,742</u>	<u>399,248</u>
Operating Expenses		
Operations and facilities	128,305	116,635
Safety and security	31,182	27,754
Administration	43,619	34,851
Hotel	28,168	26,604
Other	9,311	8,670
Total operating expenses before depreciation	<u>240,585</u>	<u>214,514</u>
Operating income before depreciation	190,157	184,734
Depreciation	<u>(119,878)</u>	<u>(119,503)</u>
Operating income	70,279	65,231
Nonoperating Revenues (Expenses)		
Investment income	3,090	2,077
Net increase in the fair value of investments	1,866	1,272
Interest expense	(46,606)	(46,569)
Participating Airline net revenue sharing	(60,785)	(51,553)
Passenger facility charges	73,016	67,501
Customer facility charges	25,039	23,951
Federal and state grants	262	797
Other	233	372
Income before capital contributions	<u>66,394</u>	<u>63,079</u>
Capital Contributions	<u>35,330</u>	<u>31,995</u>
Increase in net position	101,724	95,074
Total Net Position, Beginning of Year, as previously reported	1,785,434	1,719,433
Change in accounting principle	<u>-</u>	<u>(29,073)</u>
Total Net Position, Beginning of Year, as restated	<u>\$ 1,785,434</u>	<u>\$ 1,690,360</u>
Total Net Position, End of Year	<u><u>\$ 1,887,158</u></u>	<u><u>\$ 1,785,434</u></u>

See accompanying notes to basic financial statements

GREATER ORLANDO AVIATION AUTHORITY
 COMBINED STATEMENTS OF CASH FLOWS
 For the Years Ended September 30, 2015 and 2014
 (in thousands)

	2015	2014 (Restated)
Cash flows from operating activities		
Cash received from customers, tenants and governmental agencies	\$ 439,952	\$ 404,585
Cash paid to suppliers and governmental agencies	(184,129)	(157,902)
Cash paid to employees for services	(61,455)	(59,792)
Cash paid to airlines	(56,457)	(26,506)
Other income	276	308
Net cash provided by operating activities	<u>138,187</u>	<u>160,693</u>
Cash flows from noncapital financing activities		
Operating grants	443	454
Passenger facility charges	59	379
Net cash provided by noncapital financing activities	<u>502</u>	<u>833</u>
Cash flows from capital and related financing activities		
Proceeds from line of credit	150,995	28,700
Passenger facility charges	74,077	65,694
Customer facility charges	24,618	23,865
Principal payments - bonds and line of credit	(163,375)	(123,873)
Bond issuance costs	(76)	(7)
Interest paid	(45,071)	(47,625)
Proceeds from sale of assets	14	291
Acquisition and construction of capital assets	(155,612)	(81,507)
Advance proceeds from FDOT-ITF	30,000	-
Capital contributed by federal and state agencies	24,574	25,303
Net cash used for capital and related financing activities	<u>(59,856)</u>	<u>(109,159)</u>
Cash flows from investing activities		
Purchase of investments	(335,347)	(497,602)
Proceeds from sale and maturity of investments	434,902	467,895
Interest received	3,089	2,343
Net cash (used for) provided by investing activities	<u>102,644</u>	<u>(27,364)</u>
Net increase in cash and cash equivalents	181,477	25,003
Cash and Cash Equivalents, Beginning of Year	<u>568,559</u>	<u>543,556</u>
Cash and Cash Equivalents, End of Year ⁽¹⁾	<u><u>\$ 750,036</u></u>	<u><u>\$ 568,559</u></u>
(1) Cash and Cash Equivalents - Unrestricted Assets	\$ 189,273	\$ 141,927
Cash and Cash Equivalents - Restricted Assets - Current	149,804	122,197
Cash and Cash Equivalents - Restricted Assets - Noncurrent	410,959	304,435
	<u><u>\$ 750,036</u></u>	<u><u>\$ 568,559</u></u>

(continued)

GREATER ORLANDO AVIATION AUTHORITY
COMBINED STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2015 and 2014
(in thousands)

	<u>2015</u>	<u>2014</u> (Restated)
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 70,279	\$ 65,231
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	119,878	119,503
Participating Airline net revenue sharing	(60,785)	(51,553)
Other income	276	305
(Increase) Decrease in operating assets:		
Accounts receivable	(229)	(2,073)
Due from other governmental agencies	(240)	78
Prepaid expenses	(1,153)	189
Employee postemployment benefits assets	(1,092)	(1,701)
Deferred outflows of resources	674	(620)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued liabilities	6,314	4,486
Due to other governmental agencies	(2,329)	18
Accrued airline revenue sharing	13,094	29,951
Unearned revenue	(959)	1,443
Deposits	(201)	87
Advanced rent from tenants	1,881	889
Net pension liability	(4,261)	(14,373)
Other liabilities	(129)	22
Deferred inflows of resources	(2,831)	8,811
Total adjustments	<u>67,908</u>	<u>95,462</u>
Net cash provided by operating activities	<u>\$ 138,187</u>	<u>\$ 160,693</u>

Noncash Investing, Capital and Financing Activities

Increase in fair value of investments	\$ 1,867	\$ 1,272
Capital contributions from other governments	\$ 10,756	\$ 6,692
Capitalized interest	\$ 3,328	\$ (3,526)
Amortization of bond insurance	\$ (396)	\$ (255)
Amortization of bond premium/discount	\$ (2,141)	\$ 2,246
Amortization of bond defeasement loss	\$ (4,873)	\$ (5,749)

See accompanying notes to basic financial statements



Notes to Financial Statements

1. Summary of Significant Accounting Policies and Practices
2. Operation and Use Agreement – City of Orlando
3. Cash Deposits and Investments
4. Due from Other Governmental Agencies
5. Restricted Assets
6. Capital Assets
7. Lease and Concession Agreements
8. Pension Plans
9. Postemployment Benefits (Other than Pension Benefits)
10. Risk Management
11. Noncurrent Liabilities
12. Derivatives and Hedging Activities
13. Conduit Debt Obligations
14. Capital Contributions
15. Airline Rates by Resolution
16. Outstanding Contracts
17. Commitments and Contingencies
18. Environmental Liabilities
19. Subsequent Events

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

Organization and Purpose: The Greater Orlando Aviation Authority (Authority) was established by the Florida State Legislature pursuant to the Greater Orlando Aviation Authority Act, Chapter 57-1658, Special Laws of Florida, 1957, as amended. The Authority operates Orlando International Airport and Orlando Executive Airport. For reporting purposes, these airports are combined into a single enterprise fund.

Reporting Entity: In defining the Greater Orlando Aviation Authority for financial reporting purposes, management applied the requirements of Governmental Accounting Standards Board (GASB) Statements Number 14, *The Financial Reporting Entity* and GASB Statement Number 39, *Determining Whether Certain Organizations Are Component Units*. These statements establish the basis for defining the reporting entity and whether it is considered a component unit of another entity and whether other entities are component units. Based on these criteria, the reporting entity includes only the accounts of the Authority in the reporting entity. The Authority identified no potential component units to include in these basic financial statements nor identified any other entity that should include the Authority in its basic financial statements.

Basis of Presentation and Accounting: The Authority's financial statements are prepared using the flow of economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when incurred.

The principal operating revenues of the Authority are from sources such as airlines, concessions, rental cars and parking. Investment income, passenger and customer facility charges, federal and state operating grants and other revenues not related to the operations of the airport are considered nonoperating revenues. Operating expenses include the cost of airport and related facilities maintenance, administrative expenses, and depreciation on capital assets. Interest expense and Participating Airline net revenue sharing are considered nonoperating expenses.

Cash and Cash Equivalents: Demand deposits, certificates of deposits, cash on hand and repurchase agreements with an original maturity of three months or less from the date of purchase are considered to be cash and cash equivalents.

Accounts Receivables: Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible accounts is based on an analysis of past due amounts that are not covered by security deposits, letters of credit or contract bonds. When continued collection activity results in receipts of amounts previously reserved, revenue is recognized in the period collected.

Investments: The Authority's investment policy is determined by the Finance Committee and approved by the Authority Board. Permitted investments are set within the policy and the Finance Committee appoints an Authorized Investment Officer. The Authorized Investment Officer submits a semi-annual report as of March 31 and September 30 to the Finance Committee summarizing the investment portfolio.

The Authority accounts for all investments, regardless of time to maturity or their acquisition date, at fair value on the statement of net position with unrealized gains and losses charged or credited to investment income. The Authority uses quoted market prices to determine these fair values.

Investments consist of commercial paper, corporate securities, local government investment pool, money market funds, and United States government and agency obligations.

Prepaid Expenses and Inventory: Prepaid expenses consist primarily of insurance, employee benefits and any other expenditures expected to benefit future periods. Inventory primarily consists of fuel, repairs and maintenance items and office supplies held for consumption and is valued using the average cost method.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Noncurrent Assets:

- **Restricted Assets and Liabilities:** Assets restricted to specific purposes by legally enforceable requirements are segregated on the statement of net position. Requirements include: externally imposed requirements by creditors (such as through debt covenants), grantors or contributors; laws and regulations of other governments; and enabling legislation. The Authority's restricted assets are expendable. The Authority's policy is to determine on a case by case basis whether to spend restricted assets or unrestricted assets when both are available for the same purpose. Restricted assets necessary to meet current obligations that are payable from the restricted assets are classified as current assets on the statement of net position. Restricted assets that are restricted for disbursements in the acquisition or construction of noncurrent assets or that are segregated for the liquidation of long-term debts are classified as noncurrent assets.

Assets restricted for construction include funds available for the design and construction of capital improvements. Assets restricted for construction include cash, investments and receivables obtained from debt proceeds, grants, Authority funds restricted by the bond indenture for construction purposes, customer facility charges and passenger facility charges. Assets restricted for debt service include cash and investments required to pay the interest payments, principal for the annual bond payments, as well as payments due on the lines of credit. The restricted assets for debt service reserve include cash, investments and interest receivable totaling the maximum amount required by the bond indentures. The debt service reserve accounts are revalued each March 31 and September 30. Any amounts in excess of the debt service reserve requirements may be transferred to the Revenue Account to be used in accordance with the Revenue Account's purposes. If the debt service reserve account is undervalued, the Authority transfers funds into the account.

- **Unrestricted Assets:** A portion of unrestricted assets is reported as noncurrent. This represents amounts of unrestricted investments with maturities greater than one year. Employee postemployment benefits assets are also included in unrestricted noncurrent assets. These include the Net pension and Net OPEB assets, which are the result of additional contributions made above and beyond the annual pension and OPEB costs. Additional disclosures for the pension and OPEB plans can be found in Notes 8 and 9, respectively.
- **Capital Assets, Net of Accumulated Depreciation:** Capital assets, net of accumulated depreciation is shown as noncurrent assets on the statement of net position.

Lease and Concession Agreements: The Authority's operations consist of agreements for use of land, buildings, terminal space and Minimum Annual Guarantees from concessionaires. The agreements consist of (a) one year, cancelable space and use permits, and (b) non-cancelable agreements for land, buildings, terminal space and concessions, most of which expire between the years 2015 and 2020. The Authority accounts for revenue from these agreements under the operating method and reports revenue over the terms of the agreements.

Property and Equipment and Property Held for Lease: Property and equipment and property held for lease are recorded at cost when purchased or at fair value when donated, with a capitalization threshold of \$1,000. The Authority accounts for intangible assets as required under GASB Statement No. 51.

Depreciation: Property and equipment is depreciated on the straight-line basis over the estimated useful lives of the assets. The estimated useful lives of the property and equipment are as follows:

Building	10 to 50 years
Improvements	5 to 50 years
Equipment	3 to 30 years
Motor vehicles	5 to 15 years

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Deferred Outflows of Resources: Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. The significant components of the deferred outflows of resources shown in the statement of net position are as follows:

	<u>9/30/15</u>	<u>9/30/14</u>
GOAA Defined Benefit Pension Plan - Contributions		
Subsequent to September 30, 2013 and 2014; and other		
Differences between assumptions and actual experience	\$ 6,969	\$ 7,565
Florida Retirement System Defined Benefit Plan - Contributions		
Subsequent to June 30, 2014 and 2015; and other		
Differences between assumptions and actual experience	1,064	1,219
Florida Retirement System Health Insurance Subsidy Plan -		
Contributions subsequent to June 30, 2014 and 2015; and other		
Differences between assumptions and actual experiences	199	122
Long Term Debt Deferred Loss	<u>13,024</u>	<u>38,641</u>
Total Deferred Outflows of Resources	<u>\$21,256</u>	<u>\$47,547</u>

Deferred Inflows of Resources: Deferred inflows of resources represents an acquisition of net assets that is applicable to a future reporting period. The significant components of the deferred inflows of resources shown in the statement of net position are as follows:

	<u>9/30/15</u>	<u>9/30/14</u>
GOAA Defined Benefit Pension Plan - Differences		
Between assumptions and actual experience	\$ 7,059	\$ 7,433
Florida Retirement System Defined Benefit Plan -		
Differences between assumptions and actual experience	<u>1,893</u>	<u>4,350</u>
Total Deferred Inflows of Resources	<u>\$ 8,952</u>	<u>\$11,783</u>

Pension Plans: The Authority's policy is to fund accrued defined benefit pension costs which include normal costs for regular employees as actuarially determined. The Authority recognizes plan member contributions in the period in which contributions are due, and the Authority has made a formal commitment to provide contributions.

Other Postemployment Benefit Plans: The Authority obtains actuarial valuation reports for its OPEB plan and records the expenses, assets and liabilities for OPEB as required under Governmental Accounting Standards Board (GASB) Statement No. 45. OPEB expense includes normal costs, a provision for the amortization of the unfunded actuarial accrued liability, an interest adjustment and an annual required contribution adjustment. The unfunded actuarial accrued liability is amortized over a 20 year closed period. The Authority funds its OPEB obligation to a qualifying, irrevocable trust. Information required by GASB 45 is disclosed in Note 9.

Compensated Absences: The Authority recognizes expenses relating to compensated absences as incurred and includes the current portion of the liabilities in accrued expenses and the noncurrent portion in other long-term liabilities.

Passenger Facility Charges: The Federal Aviation Administration (FAA) approved the collection of passenger facility charges (PFCs). The Authority uses PFCs for pre-approved airport projects that meet at least one of the following criteria: preserve or enhance safety, security or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers. The airlines collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Customer Facility Charges: The Authority approved the collection of customer facility charges (CFCs) effective October 1, 2008. Certain rental car companies (RACs) agreed to assess and collect CFCs to pay the costs and expenses of financing, designing, constructing, operating, relocating, and maintaining the rental automobile related facilities. The RACs collect and remit this revenue to the Authority and the Authority records this as nonoperating revenues.

Arbitrage Rebate: The U.S. Treasury issued regulations on calculating the rebate due the federal government on arbitrage profits, calculating arbitrage penalties, and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. The Authority records the rebate payable and reduction in investment income in accordance with the rebate calculation.

Revenue Classifications: The components of the major operating revenue classifications are as follows:

- Airfield Area – Fees for landings of passenger and cargo aircraft, apron use, and fuel flow system rental and fees.
- Terminal Area – Space rentals, privilege fees for the operation of terminal concessions, baggage fees and other miscellaneous airline fees.
- Ground Transportation – Revenue associated with rental car concessions, taxi, shuttle and bus ground transportation, and public parking.
- Other Buildings and Grounds – Fees associated with fixed base operators, cargo apron use, in-flight catering and other building and land rentals.
- Hotel – Revenue associated with rooms, food and beverage, telecommunications, and other rentals and income.

Capital Contributions: Capital contributions consist primarily of grants and contributions from federal and state governmental agencies, airlines, and tenants. The Authority recognizes contributions as earned as related project costs are incurred. The Authority recognizes donated property at fair value when received.

Interest During Construction: The Authority capitalizes interest during construction to Construction in Progress. Capitalized interest consists of interest cost on certain borrowings in excess of interest earned on related investments acquired with the proceeds of borrowings.

Airline Rates By Resolution: Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For the Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the “Resolution”). The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. An airline may also sign a Rate and Revenue Sharing Agreement (“Rate Agreement”), whereby the airline affirmatively agrees to the Resolution and the rate-setting methodology. Airlines that participate are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses. Additional information is disclosed in Note 15.

Advance Rent From Tenants: The current portion of advance rent from tenants primarily represents October revenues received in September. Amounts reported as noncurrent liabilities represent revenues to be recognized in years subsequent to the following fiscal year.

Bond Issue Costs and Bond Discounts and Premiums: The Authority expenses bond issue costs (excluding prepaid bond insurance) at the time of issuance in accordance with generally accepted accounting principles. Bond discounts and premiums are deferred in the year of issuance and amortized using the effective interest method over the life of the issuance. Losses on bond refundings are deferred and amortized over the shorter of the remaining life of the original issue or the life of the new issue.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (continued)

Estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

Reclassifications: As a result of implementing new accounting standards certain amounts in the prior year financial statements may have been reclassified to conform to the current year presentation.

Implementation of New Accounting Standards: The GASB issued Statement Number 68, *Accounting and Financial Reporting for Pensions (as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date)*, effective for fiscal year ended September 30, 2015. These statements replace the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements, and establish standards for measuring and recognizing liabilities, deferrals, and expenses. The requirements of GASB No. 68 and 71 require an adjustment to eliminate the net pension asset and recognition of a net pension liability for the defined pension plan. See Note 8 for additional information.

For the authority, this statement includes the prior period adjustment of beginning net position of (\$29,073) to record the Net Pension Liability, pursuant to GASB No. 68, as of October 1, 2013 (in thousands):

	As Originally Shown September 30, 2014	Net Change	As Restated September 30, 2014
Employee postemployment benefit assets	\$ 8,762	\$ (2,584)	\$ 6,178
Deferred outflows of resources	38,641	8,906	47,547
Net pension liability	-	19,014	19,014
Deferred inflow of resource	-	11,783	11,783
Operations and facilities	119,117	(2,482)	116,635
Safety and security	29,126	(1,372)	27,754
Administration	35,595	(744)	34,851
Beginning net position	1,719,433	(29,073)	1,690,360
Net income	90,476	4,598	95,074
Ending net position	\$ 1,809,909		\$ 1,785,434

2. OPERATION AND USE AGREEMENT – CITY OF ORLANDO

The City of Orlando and the Authority signed an Operation and Use Agreement, dated September 27, 1976, which grants the Authority the right to occupy, operate, control and use Orlando International Airport and Orlando Executive Airport for a term of fifty years commencing on October 1, 1976. Effective October 1, 2015, the Authority negotiated a new Operation and Use Agreement and extended the term until September 30, 2065. At the end of the term, unless otherwise extended, the Authority is obligated to return full ownership and control of all its assets to the City of Orlando.

The City of Orlando transferred assets, liabilities and equity to the Authority at the carrying amounts in the accounts of the Aviation Division of the City of Orlando, which reflected historical or estimated historical costs, with accumulated depreciation at September 30, 1976. The property and equipment, net of accumulated depreciation transferred from the Aviation Division of the City of Orlando to the Authority, amounted to approximately \$31.5 million.

The City of Orlando provides certain police and fire protection services to the Authority. Total charges for these services amounted to approximately \$11.1 million and \$11.8 million for 2015 and 2014, respectively. Approximately, \$4 million and \$6.4 million are recorded as liabilities due to the City of Orlando in connection with these services at September 30, 2015 and 2014, respectively.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with commercial banks in interest-bearing and non-interest bearing demand deposit accounts, as well as the Florida State Board of Administration's Local Government Surplus Investment Pool (LGIP). The commercial bank balances are entirely insured by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act of the State of Florida (the Act).

The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Authority's deposits in qualified public depositories are considered totally insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State of Florida's Chief Financial Officer (State's CFO) or, with the approval of the State's CFO, to a bank, savings association, or trust company provided a power of attorney is delivered to the State's CFO.

In accordance with generally accepted accounting principles, the Authority adjusts the carrying value of investments to fair value to be presented as a component of investment income. The fair value of investments is based on available market values. The LGIP operated by the Florida State Board of Administration is a "2a-7-like" pool and is also presented in accordance with generally accepted accounting principles; therefore it is not presented at fair value but at its actual pooled share price which approximates fair value.

At September 30, 2015 and September 30, 2014, the fair value of all securities, regardless of the statement of net position, classification, was as follows (in thousands):

	2015	2014
U.S. Treasury and government agency securities	\$ 346,299	\$ 419,788
Commercial paper	23,978	54,966
Corporate securities	6,789	-
Local government investment pool	689	582
Money market funds	250,992	276,395
Securities total	<u>\$ 628,747</u>	<u>\$ 751,731</u>

These securities are classified on the statement of net position as follows (in thousands):

	2015	2014 (Restated)
Current assets		
Cash and cash equivalents	\$ 189,273	\$ 141,927
Restricted cash and cash equivalents	149,804	122,197
Investments	2,497	71,966
Noncurrent Assets		
Restricted assets		
Cash and cash equivalents	410,959	304,435
Investments	306,975	321,747
Unrestricted assets		
Investments	67,593	81,042
Total cash and investments	1,127,101	1,043,314
Less cash on deposit	(498,354)	(291,583)
Total securities, at fair value	<u>\$ 628,747</u>	<u>\$ 751,731</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS (continued)

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of September 30, 2015 and September 30, 2014, the Authority held the following investments as categorized below in accordance with generally accepted accounting principles:

Investment Maturities at September 30, 2015 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency securities	\$ 120,248	\$ 200,945	\$ 9,810	\$ 15,296	\$ 346,299
Commercial paper	23,978	-	-	-	23,978
Corporate securities	-	6,789	-	-	6,789
Local government investment pool	689	-	-	-	689
Money market funds	250,992	-	-	-	250,992
	<u>\$ 395,907</u>	<u>\$ 207,734</u>	<u>\$ 9,810</u>	<u>\$ 15,296</u>	<u>\$ 628,747</u>

Investment Maturities at September 30, 2014 (in thousands):

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency securities	\$ 301,885	\$ 92,898	\$ 10,277	\$ 14,728	\$ 419,788
Commercial paper	54,966	-	-	-	54,966
Local government investment pool	582	-	-	-	582
Money market funds	276,395	-	-	-	276,395
	<u>\$ 633,828</u>	<u>\$ 92,898</u>	<u>\$ 10,277</u>	<u>\$ 14,728</u>	<u>\$ 751,731</u>

The Authority had \$0.7 million and \$0.6 million invested in the State Board of Administration (SBA) LGIP Fund A as of September 30, 2015 and 2014 respectively.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority generally holds investments to maturity. The Authority's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they become due. To the extent possible, investment maturities match known cash needs and anticipated cash flow requirements. Investments under the Bond Resolution shall mature no later than needed, except for 1) investments in the Debt Service Reserve Account which shall mature not later than fifteen years (unless such investment is redeemable at the option of the holder, in which event the maturity shall not exceed the final maturity date of the Bonds secured by such investment), 2) investments in the Operation and Maintenance Fund and Operation and Maintenance Reserve Account shall mature within twelve months, and 3) investments in the Capital Expenditure Fund, the Renewal and Replacement Fund, Improvement and Development Fund, and the Discretionary Fund shall mature within five years. Investments under the Subordinated Bonds Resolution shall mature no later than needed, except for investments in the Reserve Fund which shall mature not later than fifteen years from the date of such investment. Investments under the Secondary Subordinated Bonds Resolution and Surplus Cash shall mature no later than the dates on which such funds are needed. The Authority portfolio holds a number of callable securities. The schedules above present the maturity date of the securities.

Credit Risk: The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. Authority policy limits the purchase of certain investments to specific rating requirements. Investment in commercial paper is limited to AAA and rated A-1, P-1, or F1 for short-term investments by two of the three rating agencies: S&P, Moody's and Fitch (without regard to gradation). Investment in dollar denominated Corporate securities is limited to companies in the United States which are rated A

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

3. CASH DEPOSITS AND INVESTMENTS (continued)

or better by two of the three rating agencies (without regard to gradation). Investments held in the portfolio as of September 30, 2015 were rated consistent with the Authority's investment policy and bond resolutions. Funds invested in money market funds and the LGIP Fund A are rated AAAM by S&P.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Authority's investments are either held in the name of the Authority or held in trust under the Authority's name.

Concentration of Credit Risk: Concentration of credit risk is the inability to recover the value of deposit, investment, or collateral securities in the possession of an outside party caused by a lack of diversification. The authority mitigates its concentration of credit risk by diversifying its investment portfolio. At September 30, 2015, the Authority only held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with three issuers; Federal National Mortgage Association (12.48%), Federal Home Loan Bank (5.85%) and Federal Home Loan Mortgage Corporation (5.11%). At September 30, 2014, the Authority only held investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents) with one issuer; Federal Home Loan Bank (29.61%). Standard practice limits the maximum investment in any one issuer of commercial paper to \$5 million dollars.

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

The following amounts were due from other governmental agencies as of September 30, 2015 and 2014 (in thousands):

	2015	2014
Unrestricted		
Florida Department of Transportation (FDOT)	\$ 592	\$ 397
Orlando Orange County Expressway Authority (OOCEA)	233	216
Federal Aviation Administration (FAA)	1,084	28
Total Unrestricted	<u>\$ 1,909</u>	<u>\$ 641</u>
Restricted		
Florida Department of Transportation (FDOT)	\$ 8,948	\$ 9,936
Federal Aviation Administration (FAA)	2,920	3,265
Transportation and Security Administration (TSA)	424	345
Other	15	15
Total Restricted	<u>\$ 12,307</u>	<u>\$ 13,561</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

5. RESTRICTED ASSETS

The Bond Resolution and the Master Indenture of Trust authorizing the issuance of the revenue bonds for Orlando International Airport and the Release of Federal Surplus Property Obligations for Orlando Executive Airport require segregation of certain assets into restricted accounts. At September 30, 2015 and 2014, composition of restricted accounts is as follows (in thousands):

	2015	2014
Debt Service Accounts	\$ 179,700	\$ 176,373
Capital Acquisition Accounts	262,192	164,631
Bond Construction Accounts	88,879	109,591
Passenger Facility Charges Account	232,257	187,216
Customer Facility Charges Account	89,152	98,065
Operating Reserve Account	39,081	37,012
Total Restricted Assets	<u>\$ 891,261</u>	<u>\$ 772,888</u>

Reported in the accompanying financial statements as follows:

	2015	2014
Restricted Cash and Cash Equivalents - Current	\$ 149,804	\$ 122,197
Total Restricted Assets – Non Current	<u>741,457</u>	<u>650,691</u>
Total Restricted Assets	<u>\$ 891,261</u>	<u>\$ 772,888</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS

A summary of capital assets activity for the years ended September 30, 2015 and 2014 is as follows (in thousands):

	Balance October 1, 2014	Additions and Reclass- ifications	Deductions	Balance September 30, 2015
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 271,251	\$ -	\$ -	\$ 271,251
Assets Held for Future Use	78,221	-	-	78,221
	<u>349,472</u>	<u>-</u>	<u>-</u>	<u>349,472</u>
Other Property and Equipment				
Building	274,898	1,163	-	276,061
Improvements	1,840,478	6,333	-	1,846,811
Equipment	237,345	3,610	1,249	239,706
Motor Vehicles	21,543	1,563	2	23,104
	<u>2,374,264</u>	<u>12,669</u>	<u>1,251</u>	<u>2,385,682</u>
Accumulated Depreciation				
Building	147,102	8,445	-	155,547
Improvements	1,052,692	67,534	-	1,120,226
Equipment	116,122	11,577	1,218	126,481
Motor Vehicles	17,381	1,429	2	18,808
	<u>1,333,297</u>	<u>88,985</u>	<u>1,220</u>	<u>1,421,062</u>
Net Property and Equipment	<u>1,390,439</u>	<u>(76,316)</u>	<u>31</u>	<u>1,314,092</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	906,415	-	-	906,415
Improvements	80,146	153	-	80,299
Equipment	8,774	-	-	8,774
	<u>995,335</u>	<u>153</u>	<u>-</u>	<u>995,488</u>
Accumulated Depreciation				
Building	547,779	26,362	-	574,141
Improvements	57,771	3,277	-	61,048
Equipment	5,430	1,254	-	6,684
	<u>610,980</u>	<u>30,893</u>	<u>-</u>	<u>641,873</u>
Net Property and Equipment - Held for Lease	<u>392,486</u>	<u>(30,740)</u>	<u>-</u>	<u>361,746</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	97,298	179,146	7,977	268,467
Net Capital Assets	<u>\$ 1,880,223</u>	<u>\$ 72,090</u>	<u>\$ 8,008</u>	<u>\$ 1,944,305</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS (continued)

	Balance October 1, 2013	Additions and Reclass- ifications	Deductions	Balance September 30, 2014
Property and Equipment				
Capital Assets not Depreciated				
Land	\$ 270,608	\$ 751	\$ 108	\$ 271,251
Assets Held for Future Use	78,221	-	-	78,221
	<u>348,829</u>	<u>751</u>	<u>108</u>	<u>349,472</u>
Other Property and Equipment				
Building	273,427	1,471	-	274,898
Improvements	1,750,896	89,584	2	1,840,478
Equipment	235,960	1,916	531	237,345
Motor Vehicles	20,551	1,050	58	21,543
	<u>2,280,434</u>	<u>94,021</u>	<u>591</u>	<u>2,374,264</u>
Accumulated Depreciation				
Building	138,583	8,519	-	147,102
Improvements	985,942	66,751	1	1,052,692
Equipment	105,200	11,450	528	116,122
Motor Vehicles	16,175	1,263	57	17,381
	<u>1,245,900</u>	<u>87,983</u>	<u>586</u>	<u>1,333,297</u>
Net Property and Equipment	<u>1,383,763</u>	<u>6,789</u>	<u>113</u>	<u>1,390,439</u>
Property and Equipment - Held for Lease				
Capital Assets not Depreciated				
Land	8,131	-	-	8,131
Other Property and Equipment				
Building	906,415	-	-	906,415
Improvements	80,146	-	-	80,146
Equipment	8,774	-	-	8,774
	<u>995,335</u>	<u>-</u>	<u>-</u>	<u>995,335</u>
Accumulated Depreciation				
Building	520,841	26,938	-	547,779
Improvements	54,442	3,329	-	57,771
Equipment	4,177	1,253	-	5,430
	<u>579,460</u>	<u>31,520</u>	<u>-</u>	<u>610,980</u>
Net Property and Equipment - Held for Lease	<u>424,006</u>	<u>(31,520)</u>	<u>-</u>	<u>392,486</u>
Construction Work in Progress				
Capital Assets not Depreciated				
Construction Work in Progress	96,464	91,922	91,088	97,298
Net Capital Assets	<u>\$ 1,904,233</u>	<u>\$ 67,191</u>	<u>\$ 91,201</u>	<u>\$ 1,880,223</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

6. CAPITAL ASSETS (continued)

During 2015, the Authority capitalized interest in the amount of \$3.3 million to Construction in Progress (CIP), representing the excess of interest cost (\$3.4 million) on certain borrowings during the construction period over the interest earned (\$0.1 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

During 2014, the Authority capitalized interest in the amount of \$3.6 million to CIP, representing the excess of interest cost (\$3.7 million) on certain borrowings during the construction period over the interest earned (\$0.1 million) on related interest-bearing investments acquired with the proceeds of the borrowings.

7. LEASE AND CONCESSION AGREEMENTS

The following is a schedule by years of minimum future revenues from non-cancelable agreements as of September 30 (in thousands):

2016	\$ 197,203
2017	91,970
2018	41,417
2019	36,928
2020	27,684
Later years	118,536
Total minimum future revenues	<u><u>\$ 513,739</u></u>

Minimum future revenues do not include contingent revenues which may be received under agreement for use of land and buildings on the basis of revenue or fuel flow fees earned. Contingent revenues amounted to approximately \$35 million and \$31 million for the years ended September 30, 2015 and 2014 respectively.

8. PENSION PLANS

The Authority maintains two defined benefit plans for its employees, a single-employer plan covering non-firefighter employees and a multi-employer plan for firefighters. Additionally, the Authority provides two defined contribution plans, a single-employer defined contribution retirement plan for non-firefighter employees and a multi-employer defined contribution plan for firefighters. The Authority authorized all employees hired before October 1, 1999, other than firefighters to participate in the defined benefit time (DB Plan). The Authority authorized employees hired after September 30, 1999 to participate in the Single-Employer Defined Contribution Retirement Plan (DC Plan). The Authority allowed employees who were participants of the DB Plan to convert to the DC Plan during the period February 23, 2001 to June 30, 2001.

Single-Employer Defined Benefit Pension Plan

General: The Authority contributes to the Retirement Plan for Employees of the Greater Orlando Aviation Authority (DB Plan), a single-employer retirement plan. The DB Plan provides retirement and death benefits to DB Plan members and beneficiaries. Comerica, Inc. (Comerica) currently holds the assets of the Plan in various managed accounts. Comerica currently pays the DB Plan benefits. Foster and Foster, Inc. issues a publicly available actuarial report that includes required supplementary information for the DB Plan. That report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827-4392, Attention: Human Resources.

Plan Description: Each full-time employee became eligible on the date of completion of 12 months of employment. The Authority credits all service from date of hire. Retirement benefits equal 3% of the average of the three years of highest annual earnings multiplied by years of credited service with a maximum of 75% of the average earnings. In the event of early retirement, there is a 3% benefit reduction for each year prior to normal

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

retirement. Normal retirement date is the first day of the month following, or coinciding with, the earliest of a participant's sixty-fifth birthday and seven years of credited service, or twenty-five years of credited service. An employee is 20 % vested after the first year of credited service and achieves 100% vesting after five years of service. A member may elect to retire earlier than the normal retirement eligibility upon attainment of age 55 and 7 years of credited service. Benefit provisions are established and may be amended by the Authority Board. The Plan is administered by a Retirement Benefits Committee appointed by the Authority Board.

Members are eligible for survivor benefits after the completion of 3 or more years of credited service. The beneficiary will receive the member's accrued vested normal retirement benefit taking into account compensation earned and service credited as of the date of death. If the beneficiary is the member's spouse, the benefit is payable as though the member had terminated employment on the date of death, survived to his/her early retirement age, retired and elected the 50% contingent annuity option and then died the next day. If the beneficiary is not the member's spouse, an actuarially equivalent benefit is payable for 5 years beginning within 1 year after the member's death.

Funding Policy: The actuarial valuation used for funding determines the annual contribution requirements of the Authority. The Authority does not require plan members to contribute to the DB Plan.

Current plan membership as of October 1, 2014, is as follows:

Inactive Plan members or Beneficiaries currently receiving benefits	243
Inactive Plan members Entitled to but not yet receiving benefits	115
Active Plan members	160
	<u>518</u>

Net Pension Liability

The total pension liability was measured as of September 30, 2014. The total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2014 using the following actuarial assumptions applied to all measurement periods.

Inflation	3.0 %
Salary Increases	5.0%
Investment Rate of Return	7.25%
Mortality	RP-2000 Combined Healthy Participant Mortality Tables for males and females. The provision for future mortality improvement is being made using Scale AA after 2000.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	50.0 %	7.50 %
International Equity	15.0	8.50
Domestic Fixed Income	35.0	2.50
Total	<u>100 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the Authority's contribution will be made at the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes to Net Pension Liability

	<u>Increase (Decrease) in thousands</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances at September 30, 2013	\$ 120,243	\$ 104,839	\$ 15,404
Changes for a Year:			
Service Cost	1,675	-	1,675
Interest	8,642	-	8,642
Contribution – Employer	-	7,565	(7,565)
Net Investment Income	-	9,698	(9,698)
Benefits Payments Including Refunds of employee Contributions	(5,436)	(5,436)	-
Administrative Expense	-	(24)	24
Net Changes	<u>4,881</u>	<u>11,803</u>	<u>(6,922)</u>
Balance at September 30, 2014	<u>\$ 125,124</u>	<u>\$ 116,642</u>	<u>\$ 8,482</u>

Sensitivity of net pension liability to changes in the discount rate. The following presents the net pension liability of the Authority, calculated using the discount rate of 7.25%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.25%) or 1 percent higher (8.25%) than the current rate.

	<u>1% Decrease 6.25%</u>	<u>Current Discount Rate 7.25%</u>	<u>1% Increase 8.25%</u>
Authority Net Pension Liability	21,274	8,482	(2,456)

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015 the Authority recognized a pension expense of \$2.3 million. On September 30, 2015 the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contributions	\$ 6,969	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	7,059
Total	<u>\$ 6,969</u>	<u>\$ 7,059</u>

The deferred outflows of resources related to the Pension Plan, totaling \$6,969,000 resulting from the Authority's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows (in thousands);

	Deferred Inflows
Year Ended September 30:	
2016	\$ (2,395)
2017	(2,395)
2018	(1,864)
2019	(405)
Total	<u>\$ (7,059)</u>

Funded Status and Funding Progress: As of October 1, 2014, the most recent actuarial valuation date, the DB Plan was 87.5% funded. The actuarial accrued liability for benefits was \$125.3 million, and the actuarial value of assets was \$109.6 million resulting in an unfunded actuarial accrued liability (UAAL) of \$15.7 million. The covered payroll was \$10.7 million, and the ratio of the UAAL to the covered payroll was 146.9%.

Other required schedules of Changes in Net Pension Liability and Related Ratios, and Schedule of Contributions are presented as required supplementary information immediately following the notes to the financial statements.

Single-Employer Defined Contribution Retirement Plan

Plan Description: The Single-Employer Defined Contribution Retirement Plan (DC Plan) provides benefits upon retirement to employees of the Authority. At September 30, 2015, there were 429 active plan members. The plan provides retirement and death benefits to plan participants and beneficiaries.

General: The DC Plan is administered by a Retirement Benefit Committee appointed by the Authority Board. The Authority can modify, alter or amend the DC Plan.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

The DC Plan authorizes employees, other than firefighters, hired on or after October 1, 1999, to participate. Eligible employees include regular full-time employees and regular part-time employees who are normally scheduled to work 20 or more hours per week. The DC Plan allows employees to participate after three full months of service. The DC Plan has separate accounts for each employee, and investments are self-directed by the employee. The Authority contributes 6% of base wages and up to another 4% as a matching contribution. The employee contributes up to 10%. The DC Plan allows the employee's first 4% contribution to be pre-tax or after-tax. Employee contributions and earnings are 100% vested. The Authority's contributions vest at 20% per year of service, starting at one year of service. Employees hired prior to October 1, 1999, continued in the Authority's DB Plan, or converted at their option from the DB Plan to the DC Plan during the period of February 23, 2001 to June 30, 2001.

The Authority's payroll for employee covered by the DC Plan was \$21.1 million and \$18.9 million for the years ended September 30, 2015 and 2014 respectively. The Authority contributed \$2.0 million and \$1.8 million for the years ended September 30, 2015 and 2014 respectively. Participants contributed \$0.9 million and \$0.8 million for the years ended September 30, 2015 and 2014 respectively.

Multiple-Employer Pension Plans

Plan Description: All firefighters employed by the Authority participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer defined benefit public retirement plan. The FRS provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan participants and beneficiaries. Florida Statutes establish benefit provisions. The FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Retirement System, Division of Retirement, Post Office Box 9000, Tallahassee, Florida 32315-9000, or by calling (877) 377-1737.

Participation in the FRS is compulsory for all full-time and part-time firefighters employed by the Authority. The FRS categorizes participants as members of a special risk class. A member receives one month credit for each month in which any salary is paid for services performed. The FRS authorizes members who meet certain requirements to purchase additional service credits to increase their retirement benefit. The FRS provides vesting of benefits after six years of creditable service (or eight years if enrolled on or after July 1, 2011). Special risk members enrolled in the FRS before July 1, 2011 meet eligibility for normal retirement after: (a) six years of special risk creditable service and attaining age fifty-five, (b) a combined total of twenty-five years of special risk creditable service and military service and attaining age fifty-two, (c) twenty-five years of special risk creditable service, or (d) thirty years of any creditable service, regardless of age. Special risk members enrolled in the FRS on or after July 1, 2011 meet eligibility for normal retirement after: (a) eight years of special risk creditable service and attaining age sixty, (b) a combined total of thirty years of special risk creditable service and military service and attaining age fifty-seven, (c) thirty years of special risk creditable service, or (d) thirty-three years of any creditable service, regardless of age. The FRS allows early retirement any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. Options at retirement include benefits for life or reduced benefits with beneficiary rights.

As a participant in FRS, the Authority is also a participant in the Retiree Health Insurance Subsidy (HIS) Program, which is a cost-sharing, multiple employer defined benefit plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by 5%. The minimum payment is \$40 and the maximum is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Funding Policy: Various acts of the Florida Legislature determine the funding methods and benefits. These acts provide employers, such as the Authority, requirements to contribute at the current actuarially determined rate of covered payroll for special risk members. Effective July 1, 2011, all FRS employees, with the exception of the

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Deferred Retirement Option Program (DROP) participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan.

The Authority's required contribution rates were as follows:

	<u>Special Risk</u>	<u>DROP</u>
July 1, 2015 – September 30, 2015	22.04	12.88
July 1, 2014 – June 30, 2015	19.82	12.28
July 1, 2013 – June 30, 2014	19.06	12.84
July 1, 2012 – June 30, 2013	14.90	5.44

The Authority's contributions to the FRS for each of the years ended September 30, 2015, 2014 and 2013 were approximately \$1.0 million, \$0.9 million and \$0.7 million, respectively, which represents the required contributions for each year.

At September 30, 2015 the Authority reported a liability of \$4.5 million and \$1.7 million for its proportionate share of the net pension liability for the FRS Pension Plan and HIS Program respectively. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The Authority's proportion of the net pension liability was based on the historical contributions made by the Authority. At June 30, 2015 the Authority's proportion was 0.035205541 percent and 0.016900316 percent for the FRS Pension Plan and HIS Program respectively, which was an increase of 0.001084299 and 0.00055205 respectfully from its proportionate share as of June 30, 2014.

For the year ended September 30, 2015 the Authority recognized pension expense of \$1.1 million related to the FRS and HIS plans.

Actuarial Assumptions:

Actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumption Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of July 1, 2015, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.60%. Payroll growth for both plans is assumed at 3.25%. Both the discount rate and the long term expected rate of return used for FRS Pension Plan investments is 7.65%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS program uses a pay-as-you-go funding structure, a municipal bond rate of 4.29% was used to determine the total pension liability for the program. Mortality assumptions for both plans were used on the Generational RP-2000 with Projection Scale BB tables.

The following changes in actuarial assumptions occurred in 2015:

- HIS – The municipal rate used to determine total pension liability decreased from 4.29% to 3.80%.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

8. PENSION PLANS (continued)

Sensitivity Analysis

The following represents the sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact of the authority's proportionate share of the net pension liability if the discount rate was 1.00% higher of 1.00% lower than the current discount rate at June 30, 2014.

FRS Net Pension Liability (in thousands)

1% Decrease	Current Discount Rate	1% Increase
6.65 %	7.65%	8.65 %
\$11,783	\$4,547	\$(1,474)

HIS Net Pension Liability (in thousands)

1% Decrease	Current Discount Rate	1% Increase
2.80 %	3.80%	4.80 %
\$1,964	\$1,724	\$1,523

Pension Expense and Deferred Outflows/(Inflows) of Resources

In accordance with GASB, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes of assumption or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employee).
- Differences between expected and actual earnings on pension plan investments – amortized over five years.

Contributions to the pension plans from the Authority are not included in collective pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2014 was 6.3 years for FRS and 7.2 years for HIS. On September 30, 2015 the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (in thousands):

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8. PENSION PLANS (continued)

Florida Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contributions	\$ 224	\$ -
Changes in Assumptions	360	-
Changes in Experience	480	108
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	1,178
Change in Proportionate Share of Liability	-	607
Balance as of September 30, 2015	<u>\$ 1,064</u>	<u>\$ 1,893</u>

Health Insurance Subsidy

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current Year Contribution	\$ 17	\$ -
Changes in Assumptions	135	-
Net Gain/Loss on Investments	1	-
Change in Proportionate Share of Liability	46	-
Balance as of September 30, 2015	<u>\$ 199</u>	<u>\$ -</u>

Deferred outflows of resources of \$0.2 million related to employer contributions paid subsequent to the measurement date and prior to the Authority's fiscal year end for the FRS Pension Plan and HIS Program, will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Reporting Period Ending September 30	FRS Expense (in thousands)	HIS Expense (in thousands)
2016	\$ (298)	\$ 30
2017	(298)	30
2018	(298)	30
2019	(298)	30
2020	95	30
Thereafter	44	32
Totals	<u>\$ (1,053)</u>	<u>\$ 182</u>

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8. PENSION PLANS (continued)

The required schedules of Proportionate Share of Net Pension Liability, Schedule of Contributions and Components of Pension Expense as required supplementary information are presented immediately following the notes to the financial statements.

The Authority is using a measurement date of June 30, 2015 to estimate its net pension liability, pension expense, related deferrals and proportionate share based on an actuarial valuation as of July 1, 2015 combined with information provided in the fiscal year 2015 Comprehensive Annual Financial Statement of the Florida Retirement System Pension Plan. As the date of this report, the Schedules of Employer Allocations and Pension Amounts by Employer for the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program have not been provided by the Florida Division of Retirement. The Authority believes its method of estimating its proportionate share of the net pension liability, pension expense, and related deferrals will not be materially different from those calculated by the Florida Retirement System.

Multi-Employer Defined Contribution Retirement Plan

Effective July 2002, the FRS offered its members the Florida Retirement System Investment Plan (Investment Plan) as a second retirement plan option. The Investment Plan is a defined contribution plan funded by employer contributions established by law. The employers' contributions are based on salary and FRS membership class. Effective July 1, 2011, all FRS employees, with the exception of DROP participants and reemployed retirees who are initially reemployed under covered employment on or after July 1, 2010, are required to make pretax retirement contributions of 3% of their gross salary to the plan. Employees that do not elect this plan automatically enroll in the defined benefit plan. Employees vest after one year of service. Participants of the FRS have one lifetime option of transferring the value of their plan to the Investment Plan. As of September 30, 2015 and 2014, the Authority had one and two participants in this plan, respectively.

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description: The Greater Orlando Aviation Authority Healthcare Plan (GOAAHP) is a single-employer healthcare plan administered by the Authority. The GOAAHP provides postemployment healthcare benefits to those participants who, in accordance with Article 4 of the Retirement Plan for Employees of the Greater Orlando Aviation Authority and Article 5 of the Greater Orlando Aviation Authority Defined Contribution Retirement Plan, retire at a participants' normal retirement date or early retirement date and who receive pension benefits immediately upon termination. CBIZ Benefits and Insurance Services issues a publicly available actuarial report that includes required supplementary information for GOAAHP. The report may be obtained by writing to Greater Orlando Aviation Authority, One Jeff Fuqua Boulevard, Orlando, Florida 32827, Attention: Human Resources. As of September 30, 2015, the GOAAHP provided benefits to 283 participants.

Funding Policy and Annual Cost: The Authority establishes and amends benefit provisions and contribution obligations. The Authority provides medical, dental, and vision coverage at no cost to employees who retired prior to August 2, 1997.

For employees that retire after August 2, 1997 and employees hired prior to October 1, 2006, eligibility for retirement healthcare benefits will be determined by the years of credited service, and whether the employee immediately begins to receive pension benefits. Employees who do not elect to receive pension benefits immediately upon termination of employment forfeit eligibility for any healthcare coverage under this policy. The

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Authority's premium contribution for employees retiring after August 2, 1997 and for employees hired prior to October 1, 2006 is as follows:

<u>Credited Service</u>	<u>Contribution</u>
20 or more years	100%
15 but less than 20 years	75%
10 but less than 15 years	50%
Less than 10 years	0%

The premiums for employees hired on or after October 1, 2006, will be paid by the employee at 100%. Dependent coverage is available at the retiree's expense provided the retiree is eligible to receive health benefits under this policy.

The Authority is not required to fund the GOAAHP. However, on September 30, 2011, the Authority funded its OPEB obligation to a qualifying, irrevocable trust in the amount of \$26.3 million. The annual contribution of the employer, an amount actuarially determined in accordance with GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions*, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a closed twenty year period. The current rate is 4.8% of annual covered payroll. For the years ended September 30, 2015 and 2014, the Authority's actuarially determined annual OPEB costs (expenses) were \$1.9 million and \$2.2 million, respectively.

The following table shows the components of the Authority's annual OPEB cost for the years ended September 30, 2015 and 2014, the annual required contribution, and changes in the Authority's net OPEB asset to GOAAHP (in thousands):

	<u>2015</u>	<u>2014</u>
Annual required contribution	\$ 1,773	\$ 2,073
Interest on net OPEB asset	(402)	(291)
Adjustment to annual required contribution	561	407
Annual OPEB cost	1,932	2,189
Trust contributions made	(3,024)	(3,890)
Increase in net OPEB asset	(1,092)	(1,701)
Net OPEB asset - beginning of year	(6,178)	(4,477)
Net OPEB asset - end of year	<u>\$ (7,270)</u>	<u>\$ (6,178)</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the GOAAHP, and the net OPEB asset for the fiscal years ended September 30, 2015, 2014 and 2013 is as follows (in thousands):

<u>Fiscal Years Ended September 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB (Asset)</u>
2015	\$ 1,932	156.5 %	\$ (7,270)
2014	2,189	177.7	(6,178)
2013	2,913	193.6	(4,477)

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Funded Status and Funding Progress: The funded status of the plan as of October 1, 2015, the most recent actuarial valuation date, is as follows (in thousands):

Actuarial Accrued Liability (a)	\$ 54,964
Actuarial Value of Plan Assets (b)	48,628
Unfunded Actuarial Accrued Liability (a) – (b)	<u>\$ 6,336</u>
 Funded Ratio (b) / (a)	 88.5%
 Covered Payroll (c) *	 \$ 36,934
 Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(a) – (b)] / (c)]	 17.2%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the GOAAHP and the annual contribution of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

* Covered Payroll is the 2014-2015 actual regular salaries for active employees covered under the GOAAHP.

Actuarial Methods and Assumptions: Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the GOAAHP participants to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Valuation Date	October 1, 2015
Actuarial Cost Method	Projected Unit Cost
Amortization Method	Level Dollar amounts
Amortization Period\ (closed)	20 years
Asset Valuation Method	Fair Value
Investment Rate of Return	6.5%
Inflation Rate	3.0%

Healthcare Cost Trend Rate:

Year	Medical/Rx	Dental	Vision
2016	7.5%	5.0%	5.0%
2017	6.5	5.0	5.0
2018	6.0	5.0	5.0
2019	5.5	5.0	5.0
2020+	5.0	5.0	5.0

GREATER ORLANDO AVIATION AUTHORITY
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Years Ended September 30, 2015 and 2014

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

The interest rate of 6.5% is consistent with prior valuations. Since the plan is funded, this assumption represents the expected return on assets in the trust, as permitted under GASB.

The required schedule of funding progress presented as required supplementary information immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the actuarial accrued liability for benefits.

10. RISK MANAGEMENT

The Authority developed risk mitigation strategies for loss prevention to address exposure to various risks. One of those risk mitigation strategies is the purchase of commercial insurance for losses related to torts and other liabilities, theft of, damage to and destruction of assets, and natural disasters. The supplemental section of the Comprehensive Annual Financial Report of the Authority discusses specific details regarding insurance coverage and deductibles.

Effective October 1, 2000, the Authority became self-insured for workers compensation and employer's liability insurance up to \$150,000 per occurrence. The Authority purchases excess coverage for workers compensation and employer's liability claims to provide stop loss coverage for claims in excess of \$150,000 per occurrence with limits that are consistent with statutory requirements. Johns Eastern Company, Inc. provides claims administration and associated reporting. The Authority records workers compensation liabilities when it is probable that a loss occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for the claims that have been incurred but not reported (IBNR). The Authority includes liabilities for unpaid claims at year-end in accrued expenses as current liabilities.

The Authority has a third party actuary perform a review of claim history for all claim years in which open claims are outstanding. The actuary projects the ultimate claim payment obligation (including IBNR) for each year's claim experience. The Authority recorded this estimate as a liability.

Changes in the Authority's workers compensation claims liability are as follows as of September 30, 2015 and 2014 (in thousands):

	2015	2014
Beginning Balance	\$ 740	\$ 717
Incurred claims and claims adjustment expenses:		
Provisions for insured events of the current fiscal year	102	283
Increase (Decrease) in provision for insured events of prior years	462	(45)
Total incurred claims and claims adjustment expenses	564	238
Payments:		
Claims and claims adjustment expenses attributable to insured events of current year	(28)	(81)
Claims and claims adjustment expenses attributable to insured events of prior year	(384)	(134)
Total payments	(412)	(215)
Ending Balance	\$ 892	\$ 740

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

10. RISK MANAGEMENT (continued)

This liability is reported in the accompanying financial statements as accounts payable and accrued liabilities payable from restricted assets.

	<u>2015</u>	<u>2014</u>
Orlando International Airport	\$ 811	\$ 672
Orlando Executive Airport	<u>81</u>	<u>68</u>
Total	<u>\$ 892</u>	<u>\$ 740</u>

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES

A summary of noncurrent liability activity for the years ended September 30, 2015 and 2014 is as follows (in thousands):

	Restated Balance October 1, 2014	Additions	Deductions	Balance September 30, 2015	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1998	\$ 4,110	\$ -	\$ 1,570	\$ 2,540	\$ 1,215	\$ 1,325
Series 2007A	121,645	-	10,650	110,995	11,180	99,815
Series 2008A	135,490	-	27,950	107,540	29,880	77,660
Series 2009A	98,550	-	-	98,550	7,730	90,820
Series 2009B Taxable	11,275	-	9,280	1,995	1,995	-
Series 2009C	81,350	-	1,640	79,710	1,725	77,985
Series 2010A	79,705	-	1,095	78,610	1,140	77,470
Series 2010B	30,025	-	2,400	27,625	2,490	25,135
Series 2011A	5,715	-	200	5,515	205	5,310
Series 2011B	70,040	-	-	70,040	-	70,040
Series 2011C	39,125	-	1,340	37,785	1,375	36,410
Series 2011D Taxable	66,710	-	850	65,860	870	64,990
Series 2012A	37,065	-	-	37,065	-	37,065
Series 2013A	46,915	-	-	46,915	2,655	44,260
Series 2013B	35,895	-	5,650	30,245	5,730	24,515
Subordinated Indebtedness						
Series 1998C Gulf Breeze	5,750	-	2,805	2,945	2,945	-
Secondary Subordinated Indebtedness Series 1997B	90,055	-	90,055	-	-	-
Special Purpose Facilities Bonds						
Series 2009CFC Taxable	33,730	-	7,890	25,840	8,220	17,620
Total Revenue Bonds	993,150	-	163,375	829,775	79,355	750,420
Add unamortized premiums and (discounts)	7,748	-	(2,141)	9,889	-	9,889
Add interest rate swap-fair value	20,744	-	20,744	-	-	-
Net Revenue Bonds	1,021,642	-	181,978	839,664	79,355	760,309
Net Pension Liability						
Net Pension Liability (2)	19,014	2,664	6,925	14,753	-	14,753
Total Net Pension Liability	19,014	2,664	6,925	14,753	-	14,753
Line of Credit						
Line of Credit	29,700	150,995	-	180,695	-	180,695
Total Line of Credit	29,700	150,995	-	180,695	-	180,695
Other Liabilities						
Advanced rent from tenants (1)	1,762	-	204	1,558	194	1,364
Compensated Absences (1)	4,738	3,382	3,314	4,806	3,129	1,677
Pollution Remediation Liability (1)	2,692	1,395	1,577	2,510	716	1,794
FDOT – Grant Advance	-	30,000	9,389	20,611	-	20,611
Total Other Liabilities	9,192	34,777	14,484	29,485	4,039	25,446
Total Noncurrent Liabilities	\$ 1,079,548	\$ 188,436	\$ 203,387	\$ 1,064,597	\$ 83,394	\$ 981,203

- (1) Advance rent from tenants due within one year is included with other current advanced rents from tenants on the statement of net position; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the net position.
- (2) Effective for fiscal year 2015, the Authority implemented GASB Statement No. 68 which required restatement of the fiscal year 2014 financial statements for the addition of the net pension liability. For additional information see Note 1 to the financial statements.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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11. NONCURRENT LIABILITIES (continued)

	Restated Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds						
Senior Lien Bonds						
Series 1998	\$ 5,835	\$ -	\$ 1,725	\$ 4,110	\$ 1,570	\$ 2,540
Series 2003A	14,160	-	14,160	-	-	-
Series 2007A	131,810	-	10,165	121,645	10,650	110,995
Series 2008A	152,210	-	16,720	135,490	27,950	107,540
Series 2008C	42,668	-	42,668	-	-	-
Series 2009A	98,550	-	-	98,550	-	98,550
Series 2009B Taxable	11,275	-	-	11,275	9,280	1,995
Series 2009C	82,930	-	1,580	81,350	1,640	79,710
Series 2010A	79,705	-	-	79,705	1,095	78,610
Series 2010B	50,265	-	20,240	30,025	2,400	27,625
Series 2011A	5,905	-	190	5,715	200	5,515
Series 2011B	70,040	-	-	70,040	-	70,040
Series 2011C	40,425	-	1,300	39,125	1,340	37,785
Series 2011D Taxable	67,555	-	845	66,710	850	65,860
Series 2012A	37,065	-	-	37,065	-	37,065
Series 2013A	46,915	-	-	46,915	-	46,915
Series 2013B	35,895	-	-	35,895	5,650	30,245
Subordinated Indebtedness						
Series 1998C Gulf Breeze	8,415	-	2,665	5,750	2,805	2,945
Secondary Subordinated Indebtedness Series 1997B	90,055	-	-	90,055	-	90,055
Special Purpose Facilities Bonds						
Series 2009CFC Taxable	41,345	-	7,615	33,730	7,890	25,840
Total Revenue Bonds	1,113,023	-	119,873	993,150	73,320	919,830
Add unamortized premiums and (discounts)	9,995	-	2,247	7,748	-	7,748
Add interest rate swap-fair value	19,188	1,556	-	20,744	-	20,744
Net Revenue Bonds	1,142,206	1,556	122,120	1,021,642	73,320	948,322
Net Pension Liability						
Net Pension Liability (2)	33,388	4,913	19,287	19,014	-	19,014
Total Net Pension Liability	33,388	4,913	19,287	19,014	-	19,014
Line of Credit						
Line of Credit	5,000	28,700	4,000	29,700	-	29,700
Total Line of Credit	5,000	28,700	4,000	29,700	-	29,700
Other Liabilities						
Advanced rent from tenants (1)	1,946	10	194	1,762	204	1,558
Compensated Absences (1)	4,499	3,257	3,018	4,738	3,022	1,716
Pollution Remediation Liability (1)	2,856	392	556	2,692	808	1,884
Total Other Liabilities	9,301	3,659	3,768	9,192	4,034	5,158
Total Noncurrent Liabilities	\$ 1,189,895	\$ 38,828	\$ 149,175	\$ 1,079,548	\$ 77,354	\$ 1,002,194

(1) Advance rent from tenants due within one year is included with other current advanced rents from tenants on the statement of net position; compensated absences and the pollution remediation liability due within one year is included in current accounts payable and accrued liabilities on the net position.

(2) Effective for fiscal year 2015, the Authority implemented GASB Statement No. 68 which required restatement of the fiscal year 2014 financial statements for the addition of the net pension liability. For additional information see Note 1 to the financial statements.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
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11. NONCURRENT LIABILITIES (continued)

A schedule of debt maturities is as follows (in thousands):

	Fiscal Year	Principal	Interest	Total
Revenue Bonds				
	2016	\$ 79,355	\$ 37,220	\$ 116,575
	2017	80,795	33,570	114,365
	2018	84,380	29,684	114,064
	2019	79,015	25,705	104,720
	2020	65,785	22,397	88,182
	2021-2025	231,265	70,728	301,993
	2026-2030	114,095	37,089	151,184
	2031-2035	50,270	16,916	67,186
	2036-2040	44,815	5,821	50,636
Total Revenue Bonds		829,775	\$ 279,130	\$ 1,108,905
Add unamortized premiums and discounts		9,889		
Add interest rate swap-fair value		-		
Net Revenue Bonds		<u>\$ 839,664</u>		
Line of Credit				
	2016*	43,200		
	2018	<u>137,495</u>		
Total Line of Credit		<u>\$ 180,695</u>		

- The line of credit due in fiscal year 2016 was excluded from current liabilities, as this debt was refinanced with long term debt subsequent to year end. See Note 19 for additional information.

A description of the bonds and notes payable is as follows:

Airport Facilities Revenue Bonds

The Authority has pledged future airport revenues, net of specified operating expenses, to repay \$803.9 million in Airport Facilities Revenue Bonds issued from 1998 to 2013. Proceeds from the bonds provided financing for various airport capital projects and refundings for previously issued debt. The bonds are payable solely from the airport system revenues and are payable through the year 2040. The Authority has agreed to maintain rates and charges each year to provide net revenues, as defined in the applicable bond agreements, equal to at least 1.25 times the sum of the aggregate debt service on senior lien bonds each fiscal year and at least 1.00 times on all other debt. Total principal and interest remaining on the bonds as of September 30, 2015 is \$1.1 billion with annual requirements ranging from \$107.2 million in 2015 to \$10.1 million in the final year, with the highest requirement of \$107.2 million in fiscal year 2016. For the twelve month period ended September 30, 2015, principal and interest requirements were \$112.1 million and total airport net revenues pledged for the year were \$227.0 million.

Senior Lien Bonds:

\$46,640,000 Airport Facilities Refunding Revenue Bonds, Series 1998, dated August 15, 1998 of which a portion is due October 1 of each year beginning 1999 through 2013; and \$4,110,000 in Term Bonds due October 1, 2017. Interest at 5.50% due semi-annually on April 1 and October 1; unamortized premium of \$7,500 and \$18,000.

\$141,485,000 Airport Facilities Refunding Revenue Bonds, Series 2007A, dated August 9, 2007, of which a portion is due October 1 of each year beginning in 2012 through 2023. Interest at 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$1,546,000 and \$1,940,000.

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11. NONCURRENT LIABILITIES (continued)

\$248,070,000 Airport Facilities Refunding Revenue Bonds, Series 2008A, dated March 31, 2008, of which a portion is due October 1 of each year beginning in 2009 through 2018. Interest at 5.25% due semi-annually on April 1 and October 1; unamortized premium of \$938,000 and \$1,564,000.

\$98,550,000 Airport Facilities Refunding Revenue Bonds, Series 2009A, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2015 through 2021; \$14,420,000 in Term Bonds due October 1, 2022; and \$5,000,000 in Term Bonds due October 1, 2023. Interest at 5.38% to 6.25% due semi-annually on April 1 and October 1; unamortized premium of \$439,000 and \$548,000.

\$11,275,000 Airport Facilities Taxable Refunding Revenue Bonds, Series 2009B, dated June 16, 2009, of which a portion is due October 1 of each year beginning in 2014 through 2015. Interest at 5.13% due semi-annually on April 1 and October 1.

\$87,110,000 Airport Facilities Revenue Bonds, Series 2009C, dated December 17, 2009 of which a portion is due October 1 of each year beginning in 2010 through 2029; \$19,095,000 in Term Bonds due October 1, 2034; and \$24,385,000 in Term Bonds due October 1, 2039. Interest at 4.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$132,000 and \$141,000.

\$79,705,000 Airport Facilities Revenue Bonds, Series 2010A, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2014 through 2025; \$25,515,000 in Term Bonds due October 1, 2032; and \$27,305,000 in Term Bonds due October 1, 2039. Interest at 3.60% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$863,000 and \$924,000.

\$84,105,000 Airport Facilities Refunding Revenue Bonds, Series 2010B, dated April 15, 2010, of which a portion is due October 1 of each year beginning in 2011 through 2018. Interest at 4.25% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$622,000 and \$927,000.

\$6,355,000 Airport Facilities Refunding Revenue Bonds, Series 2011A, dated March 17, 2011, of which a portion is due October 1 of each year beginning in 2011 through 2028. Interest at 4.65% due semi-annually on April 1 and October 1.

\$70,040,000 Airport Facilities Refunding Revenue Bonds, Series 2011B, dated September 20, 2011, of which a portion is due October 1 of each year beginning in 2019 through 2028. Interest at 3.25% to 5.00% percent due semi-annually on April 1 and October 1; unamortized discount of \$74,200 and \$81,000.

\$40,425,000 Airport Facilities Refunding Revenue Bonds, Series 2011C, dated October 12, 2011, of which a portion is due October 1 of each year beginning in 2013 through 2032; \$15,545,000 in Term Bonds due October 1, 2032. Interest at 3.00% to 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$2,382,000 and \$2,620,000.

\$67,945,000 Airport Facilities Taxable Refunding Revenue Bonds, Series 2011D, dated October 12, 2011, of which a portion is due October 1 of each year beginning in 2012 through 2024. Interest at 2.10% to 4.33% due semi-annually on April 1 and October 1.

\$37,065,000 Airport Facilities Refunding Revenue Bonds, Series 2012A, dated July 3, 2012, of which a portion is due October 1 of each year beginning in 2021 through 2032. Interest at 5.00% due semi-annually on April 1 and October 1; unamortized premium of \$3,035,000 and \$3,416,000.

\$46,915,000 Airport Facilities Revenue Bonds, Series 2013A, dated September 19, 2013, of which a portion is due October 1 of each year beginning in 2015 through 2028; \$46,915,000 in Term Bonds due October 1, 2028. Interest at 3.50% due semi-annually on April 1 and October 1.

\$35,895,000 Airport Facilities Refunding Revenue Bonds, Series 2013B, dated September 4, 2013, of which a portion is due October 1 of each year beginning in 2014 through 2018. Interest at 1.00% to 2.27% due semi-

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

annually on April 1 and October 1. These bonds, along with Authority funds, refunded \$37,965,000 of the outstanding Airport Facilities Refunding Revenue Bonds, Series 2003A.

Subordinated Indebtedness:

\$19,290,000 Airport Facilities Subordinated Revenue Bonds, Series 1998C, dated June 1998, principal payable December 1 of each year beginning 2008 through 2015. Interest at 5.05% due semi-annually on June 1 and December 1.

Line of Credit:

In December 2009, the Authority entered into an agreement with Wachovia Bank, N.A. (now Wells Fargo) to provide the Authority with a \$100 million line of credit. The Wells Fargo Line of Credit has a scheduled expiration date of December 1, 2012. In July 2012, the Authority and Wells Fargo agreed to extend the line of credit to February 28, 2015. Effective July 2014, the line of credit was increased to \$250 million; subsequently the Authority and Wells Fargo agreed to extend the line of credit to August 31, 2015. In July 2015, the Authority entered into a new three year agreement with Wells Fargo to provide the Authority with a \$250 million subordinated line of credit with an expiration date of June 29, 2018. The 2009 agreement with Wells Fargo was simultaneously terminated. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. As of September 30, 2015, the Authority has drawn \$137,495,000 on this line of credit. As of September 30, 2014, the Authority had drawn \$13,500,000 on this line of credit.

In May 2013, the Authority entered into a three year agreement with Bank of America, N.A. to provide the Authority with a \$150 million line of credit. The line of credit is to be used as interim financing for capital projects in anticipation of the issuance of long term bonds and/or receipt of grants, PFCs, CFCs, Authority funds and other permanent funding sources. The term of the line of credit expires April 1, 2016. Effective July 2014, the line of credit was increased to \$200 million. As of September 30, 2015, the Authority has drawn \$43,200,000 on this line of credit. As of September 30, 2014, the Authority had drawn \$16,200,000 on this line of credit.

Secondary Subordinated Indebtedness:

\$90,055,000 Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997, (Series 1997B) dated December 1997, principal payable October 1 of each year beginning 2023 through 2027. On August 24, 2015 the Authority paid off the bonds with a line of credit. The swap associated with the 1997B Gulf Breeze Bonds was terminated effective August 24, 2015.

Special Purpose Facilities Bonds:

\$62,800,000 Special Purpose Airport Facilities Taxable Revenue Bonds (Rental Car Facility Project), Series 2009, dated October 7, 2009, of which a portion is due October 1 of each year beginning in 2010 through 2017. Interest at 4.51% to 5.47% due semi-annually on April 1 and October 1.

The Authority has pledged future customer facility charges revenue to repay \$25.8 million in Special Purpose Facilities Revenue Bonds issued on 2009. Proceeds from the bonds provided financing for designing, construction and relocation of automobile rental facilities. The bonds are payable solely from the Customer Facility Charges and are payable through the year 2017. Total principal and interest remaining on the bond as of September 30, 2015 is \$27.9 million with annual requirements ranging from \$9.3 million in 2015 to \$9.3 million in the final year, with the highest requirement of \$9.3 million in fiscal year 2016. For the twelve month period ended September 30, 2015, principal and interest requirements were \$9.3 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

11. NONCURRENT LIABILITIES (continued)

FDOT Grant Advance:

On November 5, 2014 the Authority entered into a joint participation agreement with the State of Florida Department of Transportation (the Department) to provide funding for the South Airport Automated People Mover and Intermodal Terminal Facility Project. Pursuant to the agreement the Department advanced \$30 million for approximately three months cash flow needs. As of September 30, 2015 the balance of the advance was \$20.6 million, this amount is shown in the accompanying financial statements as Other Long Term Liabilities.

12. DERIVATIVES AND HEDGING ACTIVITIES

Objective of the swap: The Authority entered into a pay-fixed, receive-variable interest rate swap associated with the Airport Facilities Secondary Subordinated Revenue Bonds, Series 1997B (the 1997B Gulf Breeze Swap) to reduce the impact of fluctuations in interest rates on the variable rate debt.

In August 2015, the Authority paid off the Secondary Subordinated Revenue Bond Series 1997B, with a line of credit. The 1997B Gulf Breeze Swap associated with the debt was terminated on August 12, 2015. Notably, the City of Gulf Breeze had also previously entered into a swap agreement related to the debt and the two swaps were terminated simultaneously. The net amount paid by the Authority to terminate the 1997B Gulf Breeze Swap was \$296,000.

Fair value and classification: Because interest rates had declined, the 1997B Gulf Breeze Swap had a negative fair value as of September 30, 2014. The fair value was obtained from the swap counterparty, Goldman Sachs Mitsui Marine Derivative Products, L.P. (GSMMDP). In accordance with GASB Statement No. 53, *Accounting and Reporting for Derivative Instruments*, the fair value was reflected as a liability in the revenue bonds payable, long-term section on the Statement of Net Position with a corresponding outflow in deferrals. The fair value of the deferred outflows in connection with the swap was \$20.7 million for the years ended September 30, 2014.

Terms and risks: The notional amount of the 1997B Gulf Breeze Swap matched the principal amount of the associated debt. The Authority's swap agreement contained scheduled reductions to outstanding notional amounts that approximate scheduled or anticipated reductions in the outstanding principal amounts from debt repayments. The terms, fair value and risks of the outstanding swap as of September 30, 2014 was as follows (in thousands):

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Sept. 30, 2014 Fair Values	Swap Termination Date	Counterparty Credit Rating
1997B	\$ 90,055	Jan. 1, 2003	4.45 %	SIFMA*	\$ (20,744)	Oct. 1, 2027	AAA/Aa2

*The Securities Industry and Financial Market Association Municipal Swap Index

Credit Risk: Credit Risk is risk that the counterparty becomes insolvent or is otherwise not able to perform its financial obligations. At September 30, 2015, there is no credit risk as the 1997B Gulf Breeze Swap was terminated on August 12, 2015.

Termination Risk: Termination Risk is risk that the swap agreement will be terminated and the Authority would be required to make a termination payment to the counterparty. At September 30, 2015, there is no termination risk as the swap was terminated on August 12, 2015.

Basis Risk: Under the 1997B Gulf Breeze Swap, GSMMDP has the right to convert the SIFMA Index based rate to a rate based upon percentage of London Interbank Offered Rate ("LIBOR") upon the occurrence of certain taxability

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

12. DERIVATIVES AND HEDGING ACTIVITIES (continued)

events. Such a conversion could result in the Authority having to pay the difference between the LIBOR-based rate and the tax-exempt variable rate. This election b GSMMDP did not occur and is no longer a risk as the swap was terminated.

Market-access Risk: The risk that the Authority will not be able to enter the credit markets at a future date. The 1997B Gulf Breeze Swap exposed the Authority to market-access risk for issues where access to the markets is limited or where that credit access will become more costly, however, at the time of termination, the Authority was able to access the markets during favorable conditions.

13. CONDUIT DEBT OBLIGATIONS

As of September 30, 2015 and 2014, the Authority has outstanding the following series of conduit debt obligations (in thousands):

	<u>2015</u>	<u>2014</u>
Special Purpose Facilities Revenue Bonds issued to provide for the construction of a flight training facility and the acquisition of flight training equipment; payable solely from a pledge of loan payments to be received from a loan agreement and a pledge of lease payments to be received from a lease agreement and an Unconditional Guaranty Agreement. The Bonds are scheduled to mature October 1, 2023 (\$11,905) and October 1, 2035 (\$6,380).	\$ 18,285	\$ 18,285
Special Purpose Facilities Revenue Bonds issued to provide for the acquisition, construction and equipping of a corporate training facility and an aircraft maintenance hangar facility; payable solely from a pledge of lease payments to be received from the lease agreement and secured by the Leasehold Mortgage. The Bonds are scheduled to mature November 15, 2026 (\$12,665) and November 15, 2036 (\$29,655).	42,320	42,320

These bonds are special limited obligations of the Authority, payable as described above. The bonds do not constitute a debt, liability or obligation of the Authority, the City of Orlando, or the State of Florida or any political subdivisions thereof and accordingly have not been reported in the accompanying financial statements.

14. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions in the Statements of Revenues, Expenses, and Changes in Net Position. Capital contributions consisted of the following at September 30, 2015 and 2014 (in thousands):

	<u>2015</u>	<u>2014</u>
Federal Grants	\$ 5,738	\$ 13,998
State of Florida Grants/Other Grants	29,592	17,997
Total Capital Contributions	<u>\$ 35,330</u>	<u>\$ 31,995</u>

15. AIRLINE RATES BY RESOLUTION

Effective November 1, 2013, the Authority operates under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For the Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 (the "Resolution"). During the month of October, 2013, the

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

15. AIRLINE RATES BY RESOLUTION (continued)

Authority continued to operate under the 2008 Airline-Airport Lease and Use Agreement (ALUA), which was originally scheduled to expire on September 30, 2013. Airlines serving the Airport in October 2013 did so as holdover tenants under the ALUA and other lease agreements.

The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. Any airline may commit to use certain terminal space on an exclusive or preferential basis and, as a result, pay a fixed monthly charge for such space. Otherwise, airlines pay for terminal space assigned by the Authority on a per use basis.

Effective November 1, 2013, airlines had the option to sign a Rate and Revenue Sharing Agreement (“Rate Agreement”), whereby the airline affirmatively agreed to the Resolution and the rate-setting methodology therein, and further agreed not to challenge the rates and charges calculated under the Resolution’s rate-setting methodology through any judicial or regulatory process throughout the term of the agreement which expires on September 30, 2016. Airlines that sign, and comply with the terms of, a Rate Agreement with the Authority are entitled to share in certain revenues remaining after the payment of all Authority debt service and operating expenses, including fund deposit requirements (“Net Remaining Revenue”). The Authority received the first \$45 million of Net Remaining Revenues for FY 2014, \$50 million of Net Remaining Revenues for FY 2015, and will receive \$55 million of Net Remaining Revenues for FY 2016, with participating airlines sharing in a pool of all Net Remaining Revenues in excess of these amounts.

For year ended September 30, 2013, the Authority operated under Airline-Airport Lease and Use Agreements (ALUA) with certain airlines serving the Airport (the Signatory Airlines) entered into on October 1, 2008 and expired on September 30, 2013.

The ALUA provided for the sharing of net revenues after the payment of debt service and other fund deposit requirements with the Signatory Airlines. The net remaining revenues were divided between the Authority and the Signatory Airlines using an allocation percentage of 75% and 25%, respectively, for the year ended September 30, 2013. Signatory Airlines net revenue sharing totaled approximately \$18.9 million as it relates to the ALUA for the year ended September 30, 2013.

16. OUTSTANDING CONTRACTS

As of September 30, 2015, the Authority had entered into construction contracts totaling approximately \$1.0 billion for construction, engineering services and equipment, approximately \$464.8 million of which remains unincurred. Grants and passenger facility charges will be utilized to fund a portion of these projects.

17. COMMITMENTS AND CONTINGENCIES

Grants: The Authority receives grants from federal and state assistance programs. Amounts received or receivable under these programs are subject to audit and adjustment. The amount, if any, of disallowed claims, including amounts already collected, cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

City of Orlando: The Operation and Use Agreement with the City of Orlando (Note 2) provided for certain future payments by the Authority to the City of Orlando in the amount of \$2.0 million in total plus 6% interest. The Agreement provides that all principal payments will be deferred and interest payments will be abated during the full term of airport revenue bonds issued for the construction of major new terminal facilities, runways or appurtenances at Orlando International Airport. It is improbable that this liability and related interest will be paid since the term of the revenue bonds issued for such items and the outstanding revenue bonds balance will extend beyond the terms of the Agreement. As of September 30, 2015, this contingent liability of the Authority amounted to approximately \$1.7 million.

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

17. COMMITMENTS AND CONTINGENCIES (continued)

Rental Car Agencies: The Authority has agreed to reimburse several car rental agencies for the unamortized residual value of their leasehold improvements at Orlando International Airport, if their leases are terminated by the Authority prior to their expiration dates. As of September 30, 2015, this contingent liability of the Authority amounted to approximately \$1.3 million.

Wetland Mitigation: Pursuant to environmental permits issued by the U. S. Army Corps of Engineers, the FDEP and the South Florida Water Management District (collectively, the Environmental Agencies), the Authority has been required to provide mitigation for impacts which Authority projects had on existing wetlands. Wetland mitigation includes the preservation of both upland and wetland land in their natural state, the enhancement of existing wetlands, and the creation of new wetland areas. Wetland mitigation may also include funding the acquisition of environmentally sensitive lands by third parties.

The Authority has completed the wetland mitigation activities for mitigation enhancements projects at the site of the Disney Wilderness Preserve. The mitigation was for wetland impacts to areas associated with the future South Terminal and Fourth Runway and related development areas. The mandated agency success criteria has been achieved and long term maintenance endowments have been fully funded. In 2011, the Authority completed the purchase of approximately \$11.5 million in mitigation credits from approved mitigation banks to offset proposed impacts to the East Airfield development area. Unlike the mitigation projects discussed previously, such purchases satisfy permit requirements and do not require ongoing endowments. The mitigation banks assume the full responsibility to complete the off-site mitigation improvements.

Construction Disputes: The Authority is aware of a dispute with a contractor arising from the construction of improvements at Orlando International Airport. A delay and impact claim in the aggregate amount of approximately \$8,500,000 has been filed against the Authority. The Authority vigorously contests the claim and is negotiating a resolution with the contractor. Additionally, it is too early to evaluate any potential loss arising from the claim. As a result, no amounts have been recognized in the financial statements arising from this claim.

Concentration of Revenues: The Authority leases facilities to the airlines pursuant to the Resolution (see Note 15) and to other businesses to operate concessions at the Authority. For fiscal years ended September 30, 2015 and 2014, revenues realized from the following sources exceeded 5% of the Authority's total operating revenues:

	<u>2015</u>	<u>2014</u>
Southwest Airlines Co.	8.4 %	8.7%
Enterprise Leasing Co. of Orlando	8.4	8.3
Delta Air Lines	5.2	5.1

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GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

18. ENVIRONMENTAL LIABILITIES

The Authority has certain polluted sites primarily from chemical and fuel spills, asbestos, and former landfills whereas the Authority is named or will be named a responsible or potentially responsible party or where pollution remediation has already commenced with monitoring being completed as necessary. The Authority recorded a pollution remediation liability, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. A summary of the changes in liability for the year ended September 30, 2015 and 2014, is as follows (in thousands):

	Balance October 1, 2014	Additions or Adjustments	Payments Current Year	Balance September 30, 2015
Pollution remediation liability	\$ 2,692	\$ 1,395	\$ (1,577)	\$ 2,510
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 2,692</u>	<u>\$ 1,395</u>	<u>\$ (1,577)</u>	<u>\$ 2,510</u>

Reported as follows (shown in Current
Accrued Liabilities and Other
Long-Term Liabilities):

Due within one year	\$ 808	\$ 1,485	\$ (1,577)	\$ 716
Due after one year	1,884	(90)	-	1,794
Net Pollution Remediation Liability	<u>\$ 2,692</u>	<u>\$ 1,395</u>	<u>\$ (1,577)</u>	<u>\$ 2,510</u>

Realized Recoveries (shown in Cash
and Cash Equivalents)

	<u>\$ 367</u>	<u>\$ -</u>	<u>\$ (239)</u>	<u>\$ 128</u>

	Balance October 1, 2013	Additions or Adjustments	Payments Current Year	Balance September 30, 2014
Pollution remediation liability	\$ 2,856	\$ 392	\$ (556)	\$ 2,692
Unrealized recoveries	-	-	-	-
Net Pollution Remediation Liability	<u>\$ 2,856</u>	<u>\$ 392</u>	<u>\$ (556)</u>	<u>\$ 2,692</u>

Reported as follows (shown in Current
Accrued Liabilities and Other
Long-Term Liabilities):

Due within one year	\$ 912	\$ 452	\$ (556)	\$ 808
Due after one year	1,944	(60)	-	1,884
Net Pollution Remediation Liability	<u>\$ 2,856</u>	<u>\$ 392</u>	<u>\$ (556)</u>	<u>\$ 2,692</u>

Realized Recoveries (shown in Cash
and Cash Equivalents)

	<u>\$ 543</u>	<u>\$ -</u>	<u>\$ (176)</u>	<u>\$ 367</u>

GREATER ORLANDO AVIATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

18. ENVIRONMENTAL LIABILITIES (continued)

The Authority has certain land sites that are being evaluated for potential remediation, in accordance with GASB 49, or are in the post-remediation stage with monitoring being completed as necessary.

In addition, the Authority has a polluted site from chemical and fuel spills, whereas the Authority is involved in litigation at Orlando International Airport. The liabilities associated with these sites are not reasonably estimable and, as such are not recorded in the financial statements.

19. SUBSEQUENT EVENTS

On October 20, 2015, the Authority issued \$214.5 million in Airport Facilities Revenue Bonds, Series 2015A (AMT) (the "Series 2015A Bonds"). The Series 2015A Bonds were issued for the purpose of providing funds to finance costs of the Ticket Lobby Improvements, Airside 4 Improvements, and a portion of the Airside 1&3 projects, pay the Bank of America and Wells Fargo line of credit draws totaling \$44.2 million and the associated interest, pay capitalized interest of the Series 2015A bonds, and certain costs of issuance. The average life of the Series 2015A Bonds is 19.14 years and the True Interest Cost is 4.05%.

On November 6, 2015, the Authority entered into an agreement with PNC Bank, N.A. to provide the Authority with a \$100 million line of credit. The line of credit will be available to provide short term funding for capital projects in anticipation of the issuance of long-term bonds and/or receipts of grants, PFCs, Authority funds and other permanent funding sources. A portion of the line of credit was used to repay a line of credit with Wells Fargo. The term of the line of credit expires on November 4, 2016.

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GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years ⁽¹⁾
(in thousands)

	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Total Pension Liability			
Service Cost	\$ 1,675	\$ 1,562	\$ 1,456
Interest	8,642	8,296	7,934
Benefit Payments, Including Refunds of Employee Contributions	<u>(5,436)</u>	<u>(4,962)</u>	<u>(4,044)</u>
Net Change in Pension Liability	4,881	4,896	5,346
Total Pension Liability Beginning	<u>120,243</u>	<u>115,347</u>	<u>110,001</u>
Total Pension Liability Ending (a)	<u><u>\$ 125,124</u></u>	<u><u>\$ 120,243</u></u>	<u><u>\$ 115,347</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,565	\$ 7,366	\$ 5,314
Contributions - Other	-	4	-
Contributions - Employee	-	113	-
Net Investment Income	9,698	12,221	13,828
Benefit Payments, Including Refunds of Employee Contributions	(5,436)	(4,962)	(4,044)
Administrative Expense	<u>(24)</u>	<u>(47)</u>	<u>(45)</u>
Net Change in Plan Fiduciary Net Position	11,803	14,695	15,053
Plan Fiduciary Net Position - Beginning	<u>104,839</u>	<u>90,144</u>	<u>75,091</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 116,642</u></u>	<u><u>\$ 104,839</u></u>	<u><u>\$ 90,144</u></u>
Net Pension Liability, Ending = (a) - (b)	\$ 8,482	\$ 15,404	\$ 25,204
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.22 %	87.19 %	78.15 %
Covered Employee Payroll	\$ 10,709	\$ 10,828	\$ 11,443
Net Pension Liability as a Percentage of Covered Employee Payroll	79.20 %	142.26 %	220.25 %

(1) GASB 68 requires information for 10 years. However, only the information currently available is presented.

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
(in thousands)

	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Actuarially Determined Contribution	\$ 6,565	\$ 6,470	\$ 5,314
Contributions in Relation to the Actuarially Determined Contribution	<u>7,565</u>	<u>7,366</u>	<u>5,314</u>
Contribution Deficiency (Excess)	<u>\$ (1,000)</u>	<u>\$ (896)</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 10,709	\$ 10,828	\$ 11,443
Contributions as a percentage of covered employee payroll	70.64 %	68.03 %	46.44 %

Notes to Schedule

Valuation Date 10/1/2012

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Basis

Actuarial Value of Assets: The Actuarial Value of Assets is equal to the difference between actual and expected returns recognized over five years. The actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

Wage Inflation Rate: 3% per year
Rate of Salary Increase for Individual Members: 5% per year
Investment Return Rate: 7.25% per year

**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
MULTI-EMPLOYER PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Fiscal Years ⁽¹⁾
(in thousands)**

FRS Plan

	2015	2014
Proportion of the net pension liability (asset)	0.035205541 %	0.034121231 %
Proportionate share of the net pension liability (asset)	\$ 4,547	\$ 2,082
Covered-employee payroll	\$ 5,130	\$ 4,857
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	88.64 %	42.87 %
Plan fiduciary net position as a percentage of the total pension liability ⁽²⁾	92.00 %	96.09 %

(1) GASB 68 requires information for 10 years. However, only the information currently available is presented.

(2) The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the FRS Comprehensive Annual Financial Report.

Multi-Employer Pension Plan
Schedule of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years ⁽¹⁾
(in thousands)

HIS Plan

	2015	2014
Proportion of the net pension liability (asset)	0.016900316 %	0.016348268 %
Proportionate share of the net pension liability (asset)	\$ 1,724	\$ 1,528
Covered-employee payroll	\$ 5,130	\$ 4,857
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33.61 %	31.46 %
Plan fiduciary net position as a percentage of the total pension liability ⁽²⁾	0.50 %	0.99 %

(1) GASB 68 requires information for 10 years. However, only the information currently available is presented.

(2) The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the FRS Comprehensive Annual Financial Report.

GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
MULTI-EMPLOYER PENSION PLAN
SCHEDULE OF CONTRIBUTIONS ^{(1) (2)}
Last 10 Fiscal Years
(in thousands)

FRS Plan

	2015	2014
Actuarially Determined Contribution	\$ 858	\$ 747
Contributions in Relation to the Actuarially Determined Contributions	858	747
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	5,130	4,857
Contributions as a percentage of covered employee payroll	16.73 %	17.67 %

(1) The Amounts presented for each fiscal year were determined as of June 30.

(2) GASB 68 requires information for 10 years. However, only the information currently available is presented.

Multi-Employer Pension Plan - FRS
Schedule of Contributions
Last 10 Fiscal Years ^{(1) (2)}
(in thousands)

HIS Plan

	2015	2014
Actuarially Determined Contribution	\$ 64	\$ 56
Contributions in Relation to the Actuarially Determined Contributions	64	56
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	5,130	4,857
Contributions as a percentage of covered employee payroll	1.25 %	1.32 %

(1) The Amounts presented for each fiscal year were determined as of June 30.

(2) GASB 68 requires information for 10 years. However, only the information currently available is presented.

**GREATER ORLANDO AVIATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER POSTEMPLOYMENT BENEFITS PLAN
(in thousands)**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date October 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2015	\$ 48,628	\$ 54,963	\$ 6,335	88.5 %	\$ 36,934	17.2 %
2014	47,137	54,765	7,628	86.1	35,067	21.8
2013	40,366	54,108	13,742	74.6	34,028	40.4

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Years Ended September 30,	Employer Contributions	
	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2015	\$ 1,773	170.5 %
2014	2,073	187.6
2013	2,878	196.0

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APPENDIX F

FORM OF CO-BOND COUNSEL OPINION

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FORM OF CO-BOND COUNSEL OPINION

On the date of issuance of the Series 2016 Bonds in definitive form, Greenberg Traurig, P.A., and D. Seaton and Associates, P.A., Co-Bond Counsel, propose to render their opinion in substantially the following form:

[Date of Delivery]

Greater Orlando Aviation Authority
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4399

Ladies and Gentlemen:

We have acted as Co-Bond Counsel in connection with the issuance by the Greater Orlando Aviation Authority (the "Authority") of (a) \$80,200,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016A (AMT) of the City of Orlando, Florida (the "Series 2016A Bonds"), (b) \$101,570,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016B (Non-AMT) of the City of Orlando, Florida (the "Series 2016B Bonds" and together with the Series 2016A Bonds, the "Tax-Exempt Bonds"), and (c) \$71,120,000 Greater Orlando Aviation Authority Airport Facilities Taxable Refunding Revenue Bonds, Series 2016C of the City of Orlando, Florida (the "Series 2016C Bonds" and together with the Series 2016A Bonds and the Series 2016B Bonds, the "Series 2016 Bonds"), each of even date herewith.

The Series 2016 Bonds are being issued pursuant to the authority of the Constitution and laws of the State of Florida (the "State"), and the Airport Facilities Revenue Bond Resolution Authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida, originally adopted on June 13, 1978, as may be amended, restated and supplemented, with the most recent amended and restated version thereof adopted by the Authority and the City of Orlando, Florida, having an effective date of July 31, 2015 (collectively, the "Airport Facilities Revenue Bond Resolution"), including, without limitation, pursuant to a supplemental bond resolution of the Authority adopted on September 21, 2016, which resolution was approved by the City of Orlando, Florida (the "City") on September 15, 2016 (such supplemental bond resolution of the Authority being referred to herein as the "2016 Supplemental Resolution" and, together with the Airport Facilities Revenue Bond Resolution (the "Bond Resolution"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning as ascribed to them under the Airport Facilities Revenue Bond Resolution.

The proceeds of the Tax-Exempt Bonds will be used to, among other things, finance or refinance various facilities of the costs of the Authority. The proceeds of the Series 2016C Bonds will be used to, among other things, advance refund certain outstanding bonds of the Authority, on a taxable basis.

In rendering this opinion we have examined the transcript of the proceedings relating to the issuance of the Series 2016 Bonds which include the Airport Facilities Revenue Bond Resolution, the 2016 Supplemental Resolution and certain other documentation, an executed or

facsimile of each of the Series 2016 Bonds and such other documents as we have deemed necessary to render this opinion.

Based on this examination, we are of the opinion that, under existing law:

1. All conditions precedent in the Bond Resolution to the delivery of the Series 2016 Bonds have been duly fulfilled and the Bond Resolution has been duly adopted by the Authority and approved by the City and constitutes a valid and legally binding obligation of the Authority enforceable in accordance with its terms.

2. The issuance and sale of the Series 2016 Bonds have been duly authorized by the Authority and the City and the Series 2016 Bonds constitute valid and legally binding limited obligations of the Authority and the City, payable solely from, and secured by, the Revenues and other funds and investment earnings thereon held pursuant to the Bond Resolution in the manner and to the extent specified in the Bond Resolution on parity with the Outstanding Bonds.

3. Except as expressly provided for in the Bond Resolution, the Series 2016 Bonds are not obligations of the State or general obligations of the Authority, the City or any political subdivision of the State. Neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal of the Series 2016 Bonds, or the interest or premium, if any, thereon. The Authority has no taxing power. The principal of and interest on the Series 2016 Bonds shall not be payable from or be a charge or lien on any funds of the City or the Authority other than the Revenues (in the manner and to the extent specified in the Bond Resolution) and the owners of the Series 2016 Bonds shall have no recourse to the taxing power of the Authority, the City, the State or any agency or political subdivision thereof.

4. Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated below: (i) interest on the Series 2016A Bonds is excludable from gross income for federal income tax purposes, except interest on a Series 2016A Bond for any period during which such Series 2016A Bond is held by a "substantial user" of the facilities financed by the Series 2016A Bonds, or a "related person" as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) interest on the Series 2016A Bonds is an item of tax preference in calculating the federal alternative minimum tax imposed on individuals and corporations; (iii) interest on the Series 2016B Bonds is excludable from gross income for federal income tax purposes; and (iv) interest on the Series 2016B Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, such interest on the Series 2016B Bonds will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

In rendering the opinion in this Paragraph 4 above, we have assumed continuing compliance by the Authority with the requirements of the Code that must be met after the

issuance of the Tax-Exempt Bonds in order that interest on the Tax-Exempt Bonds be, and continue to be, excludable from gross income for federal income tax purposes. The Authority has covenanted to comply with the requirements of the Code in order to maintain the excludability of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes. The failure by the Authority to meet certain of such requirements may cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Bonds.

5. The Series 2016 Bonds and the interest thereon are not subject to taxation under the laws of the State, except estate taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations, as defined in Chapter 220, Florida Statutes, as amended.

Except as stated in Paragraphs 4 and 5 above, we express no opinion as to any other tax consequences regarding the Tax-Exempt Bonds. We note that no federal tax opinion is being rendered with respect to the Series 2016C Bonds since interest on the Series 2016C Bonds is required to be included in the gross income of the owners of the Series 2016C Bonds for federal income tax purposes.

This opinion is qualified to the extent that the enforceability of the Series 2016 Bonds and the Bond Resolution, respectively, may be limited by general principles of equity which may permit the exercise of judicial discretion, and by bankruptcy, insolvency, moratorium, reorganization or similar laws relating to the enforcement of creditors' rights generally, now or hereafter in effect.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We have not been engaged nor have we undertaken to review or verify and therefore express no opinion as to the accuracy, adequacy, fairness or completeness of any official statement or other offering materials relating to the Series 2016 Bonds, except as may be otherwise set forth in our supplemental opinion delivered to the initial purchaser of the Series 2016 Bonds. In addition, other than as expressly set forth herein, we have not passed upon and therefore express no opinion as to the compliance by the Authority or any other party involved in this financing, or the necessity of such parties complying, with any federal or state registration requirements or security statutes, regulations or rulings with respect to the offer and sale of the Series 2016 Bonds.

Reference is made to the opinion of even date herewith of Broad and Cassel, Issuer's Counsel to the Authority, on which we rely as to the due organization and valid existence of the Authority and the due adoption of the Airport Facilities Revenue Bond Resolution and the 2016 Supplemental Resolution; and to the opinion of even date herewith of the City's Office of Legal Affairs, as to the due adoption by the City of its resolutions approving the Airport Facilities Revenue Bond Resolution and the 2016 Supplemental Resolution. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such opinions, and have relied solely on the matters described therein.

We express no opinion with respect to any other document or agreement entered into by the Authority or by any other person in connection with the Series 2016 Bonds, other than as expressed herein.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

by and between

GREATER ORLANDO AVIATION AUTHORITY

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

\$80,200,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$101,570,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$71,120,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA**

Dated October 13, 2016

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") dated October 13, 2016, is executed and delivered by the **GREATER ORLANDO AVIATION AUTHORITY**, an agency of the City of Orlando, Florida (the "Authority") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company duly organized and existing under the laws of the State of Florida, and any successor dissemination agent serving hereunder pursuant to Section 11 hereof (the "Dissemination Agent" or "DAC").

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the Authority authorized the issuance and delivery of \$80,200,000 in original aggregate principal amount of its Airport Facilities Revenue Bonds, Series 2016A (AMT), of the City of Orlando, Florida (the "Series 2016A Bonds"), \$101,570,000 Greater Orlando Aviation Authority Airport Facilities Revenue Bonds, Series 2016B (Non-AMT) of the City of Orlando, Florida (the "Series 2016B Bonds"), the \$71,120,000 Greater Orlando Aviation Authority Airport Facilities Taxable Refunding Revenue Bonds, Series 2016C of the City of Orlando, Florida (the "Series 2016C Bonds," and together with the Series 2016A Bonds and the 2016B Bonds, the "Series 2016 Bonds") are being issued by the Greater Orlando Aviation Authority (the "Authority"), an agency of the City of Orlando, Florida (the "City"), under and pursuant to various provisions of the law, and pursuant to the Airport Facilities Revenue Bond Resolution, originally adopted by the governing board of the Authority (the "Board"), on June 13, 1978, as supplemented and amended from time to time, and as codified on September 17, 2008, and as amended and restated on June 24, 2015 (collectively, the "Airport Facilities Revenue Bond Resolution") and as specifically supplemented by that certain Supplemental Airport Facilities Revenue Bond Resolution, authorizing the issuance of the Series 2016 Bonds, adopted by the Authority on September 21, 2016 (the "2016 Supplemental Resolution," and together with the Airport Facilities Revenue Bond Resolution, the "Bond Resolution").

B. The Series 2016A Bonds are being issued for the purpose of providing funds sufficient, to: (a) finance a portion of the costs of the 2016 Project, (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016A Bonds, and (d) repay certain draws made on the Lines of Credit described in the Official Statement, and (e) pay certain costs of issuance of the Series 2016A Bonds. The Series 2016B Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority to (a) finance a portion of the costs of the 2016 Project, (b) fund a deposit to the Composite Reserve Subaccount of the Debt Service Reserve Account, (c) pay capitalized interest on the Series 2016B Bonds, (d) repay certain draws made on the herein described Existing Lines of Credit, and (e) pay certain costs of issuance of the Series 2016B Bonds. The Series 2016C Bonds are being issued for the purpose of providing funds sufficient, together with other available funds of the Authority to (a) refund on an advanced basis and redeem a portion of the Refunded Bonds described in the Official Statement and (b) pay certain costs of issuance of the Series 2016C Bonds.

C. The Authority has authorized the preparation and distribution of the Preliminary Official Statement dated September 21, 2016, as supplemented on September 22, 2016, with respect to the Series 2016 Bonds, (the "Preliminary Official Statement") and, on or before the

date of the Preliminary Official Statement, the Authority deemed that the Preliminary Official Statement was final within the meaning of the Rule (as defined herein).

D. Upon the initial sale of the Series 2016 Bonds to the Participating Underwriter (as defined herein), the Authority authorized the preparation and distribution of the Official Statement dated September 30, 2016 with respect to the Series 2016 Bonds (the "Official Statement").

E. As a condition precedent to the initial purchase of the Series 2016 Bonds by the Participating Underwriter in accordance with the terms of the Bond Purchase Agreement dated September 30, 2016 by and between the Authority and the Participating Underwriter, and in compliance with the Participating Underwriter's obligations under the Rule, the Authority has agreed to undertake certain disclosure obligations of certain financial information or operating data on an ongoing basis for so long as the Series 2016 Bonds remain outstanding as set forth herein.

NOW THEREFORE, in consideration of the purchase of the Series 2016 Bonds by the Participating Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the Authority and the Dissemination Agent do hereby certify and agree as follows:

Section 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

Section 2. Definitions.

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined herein shall have the meanings ascribed thereto in the Bond Resolution and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Annual Filing" means any annual report provided by the Authority, pursuant to and as described in Sections 4 and 6 hereof.

"Annual Filing Date" means the date, set forth in Sections 4(a) and 4(e) hereof, by which the Annual Filing is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (f)(9) of the Rule and specified in Section 6(a) hereof.

"Audited Financial Statements" means the financial statements of the Authority for the prior Fiscal Year, certified by an independent auditor and prepared in accordance with generally accepted accounting principles, as in effect from time to time, and audited by an independent certified public accountant in conformity with generally accepted accounting principles, as

modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Government Accounting Standards Board.

"Beneficial Owner" means any beneficial owner of the Series 2016 Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the SEC, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"Business Day" means a day other than a Saturday or a Sunday or a day on which banks are authorized or required by law to close.

"Disclosure Representative" means the Chief Financial Officer of the Authority or his or her designee, or such other person as the Authority shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

"Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as initial Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Authority pursuant to Section 11 hereof.

"EMMA" means the Electronic Municipal Market Access system, a service of the MSRB, or any successor thereto.

"Filing" means, as applicable, any Annual Filing, Notice Event Filing, Voluntary Report or any other notice or report made public under this Disclosure Agreement.

"Fiscal Year" means the fiscal year of the Authority, which currently is the twelve-month period beginning October 1 and ending on September 30 of the following year or any such other twelve-month period designated by the Authority, from time to time, to be its fiscal year.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event Filings, and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Notice Event" means an event listed in Sections 5(a) and 5(b) hereof.

"Notice Event Filing" shall have the meaning specified in Section 5(c) hereof.

"Obligated Person" means the Authority and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2016 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The Authority confirms that as of the date hereof, it is the only Obligated Person with respect to the Series 2016 Bonds.

"Participating Underwriter" means the original purchaser of the Series 2016 Bonds required to comply with the Rule in connection with the offering of the Series 2016 Bonds.

"Repository" means each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The repositories currently approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the only Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure filings through its EMMA website at <http://emma.msrb.org>.

"Rule" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Third-Party Beneficiary" shall have the meaning specified in Section 3(b) hereof.

"Unaudited Financial Statements" means the financial statements (if any) of the Authority for the prior Fiscal Year which have not been certified by an independent auditor.

"Voluntary Report" means the information provided to the Dissemination Agent by the Authority pursuant to Section 8 hereof.

Section 3. Scope of this Disclosure Agreement.

(a) The Authority has agreed to enter into this Disclosure Agreement and undertake the disclosure obligations hereunder, at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Series 2016 Bonds, in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the Authority under this Disclosure Agreement relate solely to the Series 2016 Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the Authority, nor to any other securities issued by or on behalf of the Authority.

(b) Neither this Disclosure Agreement, nor the performance by the Authority or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon: (i) the defeasance, redemption or payment in full of all Series 2016 Bonds, in accordance with the Bond Resolution, as amended, or (ii) the delivery of an opinion of counsel expert in federal securities laws retained by the Authority to the effect that continuing disclosure is no longer required under the Rule as to the Series 2016 Bonds.

Section 4. Annual Filings.

(a) The Authority shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the Repository, in an electronic format as prescribed by the MSRB. The April 30th immediately following the preceding Fiscal Year ended September 30, commencing with the Fiscal Year ending September 30, 2017, shall be the Annual Filing Date. If April 30th falls on a day that is not a Business Day, the Annual Filing will be due on the first Business Day thereafter. Such date and each anniversary thereof is the Annual Filing Date. The Annual Filing may be submitted as a single document or as separate documents composing a package, and may cross-reference other information as provided in Section 6 hereof.

(b) If on the second Business Day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the Authority of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than 6:00 p.m. on the Annual Filing Date (or if such Annual Filing Date is not a Business Day, then the first Business Day thereafter), or (ii) instruct the Dissemination Agent in writing as to the status of the Annual Filing within the time required under this Disclosure Agreement, and state the date by which the Annual Filing for such year is expected to be provided. If the Dissemination Agent has not received either (i) the Annual Filing by 6:00 p.m. Eastern Time on the Annual Filing Date, or (ii) evidence from the Authority that it has delivered the Annual Filing to the Repository by 11:59 p.m. Eastern Time on the Annual Filing Date, the Authority hereby irrevocably directs the Dissemination Agent, and the Dissemination Agent agrees, to immediately send a notice to the Repository the Business Day following the Annual Filing Date in substantially the form attached to this Disclosure Agreement as Exhibit A without reference to the anticipated filing date for the Annual Filing and stating only that the “Notice Event” is that the Authority has failed to file the Annual Report by the deadline imposed by this Agreement, without any additional information or commentary.

(c) If the Audited Financial Statements are not available prior to the Annual Filing Date, the Authority shall provide the Unaudited Financial Statements and when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Dissemination Agent for filing with the Repository.

(d) The Dissemination Agent shall:

(i) upon receipt, and no later than the Annual Filing Date, promptly file each Annual Filing received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(ii) upon receipt, and no later than the Annual Filing Date, promptly file each Audited Financial Statement or Unaudited Financial Statement received under

Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(iii) provide the Authority evidence of the filings of each of the above when made, which shall be made by means of the DAC system, for so long as DAC is the Dissemination Agent under this Disclosure Agreement.

(e) The Authority may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Dissemination Agent and the Repository, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(f) Each Annual Filing shall contain the information set forth in Section 6 hereof.

Section 5. Reporting of Notice Events.

(a) In accordance with the Rule, the Authority or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner not in excess of ten (10) Business Days after the occurrence of any of the following Notice Events with respect to the Series 2016 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2016 Bonds, or other material events affecting the tax status of the Series 2016 Bonds;
- (vii) Modifications to rights of Holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Series 2016 Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership, or a similar proceeding on the part of an Obligated Person. Such an event is considered to have occurred when there is an appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person;

(xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person, or the sale of all or substantially all of the assets of an 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, if material; or

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) In accordance with the Rule, the Authority or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner, after the occurrence of a failure of the Authority to provide the Annual Filing on or before the Annual Filing Date.

(c) The Authority shall promptly notify the Dissemination Agent in writing of the occurrence of a Notice Event; provided, however, to the extent any such Notice Event has been previously and properly disclosed on the Repository by or on behalf of the Authority, the Authority shall not be required to provide such additional notice of such Notice Event in accordance with this subsection. Such notice shall instruct the Dissemination Agent to immediately report the occurrence pursuant to Section 5(e) hereof. Such notice shall be accompanied with the text of the disclosure that the Authority desires to make (each a "Notice Event Filing"), the written authorization of the Authority for the Dissemination Agent to disseminate such information, and the date on which the Authority desires for the Dissemination Agent to disseminate the information.

(d) The Dissemination Agent is under no obligation to notify the Authority or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will instruct the Dissemination Agent that: (i) a Notice Event has not occurred and no filing is to be made, or (ii) a Notice Event has occurred and provide the Dissemination Agent with the Notice Event Filing and the date the Dissemination Agent should file the Notice Event Filing.

(e) The Dissemination Agent shall upon receipt, and no later than the required filing date, promptly file each Notice Event Filing received under Section 5(a) and (b) hereof with the Repository in an electronic format as prescribed by the MSRB.

Section 6. Content of Annual Filings. Each Annual Filing shall contain the following:

(a) Updates to the operating data or financial information set forth in the Official Statement:

(i) the table entitled, “Airlines Serving Orlando International Airport” under the heading “THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM--Airlines Serving Orlando International Airport”;

(ii) the table entitled, “Historical Airline Market Shares Percentage of Total Passengers” under the heading “THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM--Airline Market Shares”;

(iii) the table entitled, “Historical Domestic, International and Total Enplaned Passengers” under the heading “THE GREATER ORLANDO AVIATION AUTHORITY AND THE AIRPORT SYSTEM--Enplaned Passengers at the Airport”;

(iv) the table entitled, “Passenger Facility Charges” under the heading “INFORMATION CONCERNING REVENUES AND CERTAIN FUNDING SOURCES--Passenger Facility Charges”;

(v) the table entitled, “Statement of Revenues, Expenses and Changes in Net Position” under the heading “AUTHORITY FINANCIAL INFORMATION-Historical Statement of Revenues and Expenses”;

(vi) the table entitled, “Historical Debt Service Coverage Per Bond Resolution” under the heading “AUTHORITY FINANCIAL INFORMATION-Historical Debt Service Coverage”; and

(vii) the table entitled, “Net Revenues Available for Payment of Subordinated Indebtedness Fiscal Years 2011-2015” under the heading “AUTHORITY FINANCIAL INFORMATION-Historical Net Revenues Available for Payment of Subordinated Indebtedness”

(b) If available at the time of such filing, the Audited Financial Statements for the prior Fiscal Year. If the Audited Financial Statements are not available by the time the Annual Filing is required to be filed pursuant to Section 4(a) hereof, the Annual Filing shall contain Unaudited Financial Statements of the Authority prepared in accordance with generally accepted accounting principles, as in effect from time to time, and the Audited Financial Statements shall be filed in the same manner as the Annual Filing when they become available. The Audited Financial Statements (if any) will be provided pursuant to Section 4(c) hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Authority is an

Obligated Person, which have been previously filed with the Repository or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Repository. The Authority will clearly identify each such document so incorporated by reference.

Section 7. Responsibility for Content of Reports and Notices.

(a) The Authority shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Series 2016 Bonds. Each Notice Event Filing shall be in substantially the form set forth in Exhibit A attached hereto. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the Authority shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances under which it is made.

(c) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents composing a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the Repository or the SEC; provided that any final official statement incorporated by reference must be available from the Repository.

(d) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the Authority or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

Section 8. Voluntary Reports.

(a) The Authority may instruct the Dissemination Agent to file information with the Repository, from time to time (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Authority from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing, in addition to that required by this Disclosure Agreement. If the Authority chooses to include any information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing in addition to that which is specifically required by this Disclosure Agreement, the Authority shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the Authority is under no obligation to provide any Voluntary Report.

(d) The Dissemination Agent shall upon receipt promptly file each Voluntary Filing received under Section 8 hereof with the Repository in an electronic format as prescribed by the MSRB.

Section 9. Defaults; Remedies.

(a) A party shall be in default of its obligations hereunder if it fails or refuses to carry out or perform its obligations hereunder for a period of five (5) Business Days following notice of default given in writing to such party by any other party hereto or by any Third-Party Beneficiary hereof, unless such default is cured within such five (5) Business Day notice period. An extension of such five (5) Business Day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any non defaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default; excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Bond Resolution to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Bond Resolution.

Section 10. Amendment or Modification.

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section 10. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Bond Resolution.

(b) Notwithstanding any other provision of this Disclosure Agreement, the Authority may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if: (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Series 2016 Bonds, or type of business conducted by such obligor; (ii) such amendment or waiver does not materially impair the interests of the Beneficial Owners of the Series 2016 Bonds, as determined either by an unqualified opinion of counsel expert in federal securities laws retained by the Authority or by the approving vote of a majority of the Beneficial Owners of the Series 2016 Bonds outstanding at the time of such amendment or waiver; and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws retained by the Authority, to the effect that such amendment or waiver

would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

(c) If any provision of Section 6 hereof is amended or waived, the first Annual Filing containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(d) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the Authority's financial statements are amended or waived, the Annual Filing for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the beneficial owners of the Series 2016 Bonds to enable them to evaluate the ability of the Authority to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The Authority will file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(e) Notwithstanding the foregoing, the Dissemination Agent shall not be obligated to agree to any amendment expanding its duties or obligations hereunder without its consent thereto.

(f) The Authority shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 8 hereof.

Section 11. Agency Relationship.

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proven that the Dissemination Agent engaged in negligent conduct or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(e) Except as expressly provided herein, the Dissemination Agent shall not be required to monitor the compliance of the Authority with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(f) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the Authority. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the Authority, provided that such removal shall not become effective until a successor dissemination agent has been appointed by the Authority under this Disclosure Agreement.

(g) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the Authority shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the Authority may appoint itself to serve as Dissemination Agent hereunder.

(h) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 12. Miscellaneous.

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions, ordinances, or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not

aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Series 2016 Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

Section 13. Identifying Information. All documents provided to the Repository pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 14. Severability. In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA**

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

(SEAL)

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Frank Kruppenbacher, Chairman

ATTEST:

By: _____
Assistant Secretary

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA**

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA**

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Dissemination Agent**

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

**NOTICE TO REPOSITORY OF THE OCCURRENCE OF
[INSERT THE NOTICE EVENT]**

Relating to

\$80,200,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016A (AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$101,570,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES REVENUE BONDS,
SERIES 2016B (NON-AMT)
OF THE CITY OF ORLANDO, FLORIDA**

\$71,120,000

**GREATER ORLANDO AVIATION AUTHORITY
AIRPORT FACILITIES TAXABLE REFUNDING REVENUE BONDS,
SERIES 2016C
OF THE CITY OF ORLANDO, FLORIDA**

Originally Issued on October 13, 2016

CUSIP NUMBERS

392274N93	392274R99	392274U61
392274P26	392274S23	392274L46
392274P34	392274S31	392274L53
392274P42	392274S49	392274L61
392274P59	392274S56	392274L79
392274P67	392274S64	392274L87
392274P75	392274S72	392274L95
392274P83	392274S80	392274M29
392274P91	392274S98	392274M37
392274Q25	392274T22	392274M45
392274Q33	392274T30	392274M52
392274Q41	392274T48	392274M60
392274Q58	392274T55	392274M78
392274Q66	392274T63	392274M86
392274Q74	392274T71	392274M94
392274Q82	392274T89	392274N28
392274Q90	392274T97	392274N51
392274R24	392274U87	392274N69
392274R32	392274U20	392274N77

392274R40	392274U38	392274N85
392274R65	392274U46	392274N36
392274R73	392274U79	392274N44
392274R57	392274U95	
392274R81	392274U53	

Notice is hereby given by the Greater Orlando Aviation Authority (the "Authority"), as obligated person with respect to the above-referenced Series 2016 Bonds issued by the Authority, under the Securities and Exchange Commission's Rule 15c2-12, that **[**INSERT THE NOTICE EVENT**]** has occurred. **[**DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO**]**.

This Notice is based on the best information available to the Authority at the time of dissemination hereof and is not guaranteed by the Authority as to the accuracy or completeness of such information. The Authority will disseminate additional information concerning **[**NOTICE EVENT**]**, as and when such information becomes available to the Authority, to the extent that the dissemination of such information would be consistent with the requirements of Rule 15c2-12 and the Authority's obligation under that certain Continuing Disclosure Agreement dated October 13, 2016. **[**Any questions regarding this notice should be directed in writing only to the Authority. However, the Authority will not provide additional information or answer questions concerning [**NOTICE EVENT**] except in future written notices, if any, disseminated by the Authority in the same manner and to the same recipients as this Notice**].**

DISCLAIMER: All information contained in this Notice has been obtained by the Authority from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the Authority have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information contained in this Notice, or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: _____

**GREATER ORLANDO AVIATION
AUTHORITY**

By: _____
Name: _____
Title: _____

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APPENDIX H

FORM OF BONDHOLDER CONSENT TO CONSENT AMENDMENTS

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AUTHORITY REQUEST FOR WRITTEN CONSENT TO PROPOSED AMENDMENTS

GREATER ORLANDO AVIATION AUTHORITY

\$ _____ Airport Facilities Revenue Bonds, Series 2016A (AMT)

\$ _____ Airport Facilities Revenue Bonds, Series 2016B (Non-AMT)

\$ _____ Airport Facilities Taxable Revenue Refunding Bonds, Series 2016C

Anticipated Sale Date: _____, 2016

Anticipated Delivery Date: _____, 2016

To: Prospective purchaser of the above bonds (the "Series 2016 Bonds")

The Greater Orlando Aviation Authority (the "Authority") understands that you have indicated your intention to purchase Series 2016 Bonds of certain maturities and amounts. In that regard, the Authority is hereby advising you that the sale of the Series 2016 Bonds by the Authority to the underwriters named in the Preliminary Official Statement prepared by the Authority in connection with the offering of the Series 2016 Bonds (the "POS") and the subsequent sale of the Series 2016 Bonds by such underwriters to you is conditioned upon receipt of your written consent to the proposed amendments to the Airport Facilities Revenue Bond Resolution (as defined in the POS) described in the POS (the "Consent Amendments"). The text of the Consent Amendments is incorporated in a blacklined version of the Proposed Amended and Restated Bond Resolution which is attached as Appendix C to the POS. A general description of the Consent Amendments is provided under the caption "SUMMARY OF CERTAIN AMENDMENTS TO THE AIRPORT FACILITIES REVENUE BOND RESOLUTION."

In order to become effective, the Consent Amendments require, among other things, the written consent of the Holders of not less than a majority of the Bonds then Outstanding. Accordingly, the Authority is requesting that you evidence your consent to the Consent Amendments by executing the acknowledgment set forth below. The underwriters have not been requested to provide, nor will they provide, consent to any Consent Amendment on behalf of any Series 2016 Bond purchaser. The Authority currently anticipates the Consent Amendments may become effective as soon as fiscal year 2017; however such effective date may be sooner or later than such fiscal year, or may never occur.

By signing in the space provided below:

- (1) you acknowledge you have read and understand the foregoing;
- (2) you hereby provide your express and irrevocable written consent to the Consent Amendments and you approve adoption of the Proposed Amended and Restated Bond Resolution as provided in Appendix C to the POS, such consent and approval to be effective

immediately upon, and simultaneously with, the delivery of Series 2016 Bonds to your custodial account with your DTC Participant;

(3) you hereby waive any publication and mailing of notice of the Consent Amendments pursuant to the provisions of the Bond Resolution (as defined in the POS);

(4) you irrevocably waive any right under the Bond Resolution to revoke the consent provided hereby and any publication under the Bond Resolution that the Consent Amendments have received the necessary Bondholder consent; and

(5) you acknowledge that the aforementioned consents and waivers shall be on behalf of you and all successors in interest in the Series 2016 Bond(s) purchased by you.

If you are in agreement with the foregoing, please so indicate by signing and dating in the spaces provided below, and returning this letter to Merrill Lynch, Pierce, Fenner & Smith Incorporated's Syndicate Desk via Fax (212-548-3543) or E-mail (amanda.schlang@baml.com).

Very truly yours,

Greater Orlando Aviation Authority

ACKNOWLEDGED AND AGREED:

Print name of Purchaser or Managing Firm (having authority to consent on behalf of the Purchaser):

Name(s) of funds which the Managing Firm is authorized to provide consent for:

Purchaser or Authorized Employee of Managing Firm:

_____(Print Name)

_____(Sign Name)

Date: _____, 2016

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**GREATER ORLANDO
AVIATION AUTHORITY**



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