

City of Philadelphia



(Bill No. 170308)

AN ORDINANCE

Constituting the Sixteenth Supplemental Ordinance to the Amended and Restated General Airport Revenue Bond Ordinance, providing for certain amendments to the Amended and Restated General Airport Revenue Bond Ordinance under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Amendment of Table of Contents of Amended and Restated General Airport Revenue Bond Ordinance. The Table of Contents of the Amended and Restated General Airport Revenue Bond Ordinance (Bill No. 950282) approved by the Mayor of the City of Philadelphia on June 16, 1995, as amended and supplemented (the "Amended and Restated Ordinance"), is amended by adding a new Section 4.02A after Section 4.02 and before Section 4.03. New Section 4.02A is entitled:

"Section 4.02. Designated PFC Revenues for Debt Service....."

SECTION 2. Amendment of Section 2.01 of Amended and Restated Ordinance. Section 2.01 of the Amended and Restated Ordinance relating to *Definitions And Other Provisions Of General Application* is hereby amended, as follows:

(a) The definition of "UPS" is hereby deleted.

(b) The definition of "Amounts Available for Debt Service" is hereby amended to read as follows:

"Amounts Available for Debt Service" means for any particular period, Project Revenues for that period plus: (a) Passenger Facility Charges which are legally available to pay Debt Service Requirements with respect to such particular period to the extent such Passenger Facility Charges have been pledged under a Supplemental Ordinance, (b) grants or moneys received from private persons or public agencies, either federal, state or local, directly or indirectly for the benefit of the Airport System, to the extent deposited in the Sinking Fund to be used for Debt Service Requirements, and (c) that portion of the Aviation Operating Fund attributable to Amounts Available for Debt Service."

(c) The definition of "Balloon Bonds" is hereby amended to read as

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follows:

"Balloon Bonds" means any Series of Bonds, or any portion of a Series of Bonds, designated by a Determination as Balloon Bonds, (a) 25% or more of the principal payments (including mandatory sinking fund payments) of which are due in a single year, or (b) 25% or more of the principal of which may, at the option of the holder or holders thereof, be redeemed at one time; *provided, however* that a Variable Rate Bond which is able to be redeemed at the option of the Holder shall not constitute a Balloon Bond."

(d) The defined term "Customer Facility Charges" is hereby added to read as follows:

"Customer Facility Charges" means all customer facility charges collected pursuant to applicable law."

(e) The defined term "Designated PFC Revenues for Debt Service" is hereby added to read as follows:

"Designated PFC Revenues for Debt Service" mean Passengers Facility Charges made available to pay the Debt Service Requirements on one or more Series of Bonds during any period pursuant to Section 4.02A hereof."

(f) The definition of "Operating Expenses" is hereby amended to read as follows:

"Operating Expenses" means all costs and expenses of the Airport System paid from Project Revenues necessary and appropriate to operate and maintain in good operating condition during each Fiscal Year those portions of the Airport System from which revenues are derived and which are included within the definition of Project Revenues, and shall include, without limitation, salaries and wages, purchases of services, costs of materials, supplies and equipment that can be expensed, maintenance costs, costs of any property or the replacement thereof or for any work or project, related to the Airport System having an estimated life or usefulness and a cost less than minimum standards for capitalization established by the Division of Aviation's accounting policies (provided such minimum standards shall in no event be less than the standards set forth in the City Charter of the City), pension and welfare plan and worker's

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compensation requirements, unemployment compensation requirements, taxes and payments in lieu of taxes, insurance premiums, provisions for claims, refunds and uncollectible receivables and Interdepartmental Charges, all consistently determined in accordance with the accrual basis of accounting adjusted to meet the particular requirements of the Use and Lease Agreements and this Ordinance, consistently applied, but Operating Expenses shall exclude depreciation, amortization, and except as expressly set forth above, Debt Service Requirements and amounts due under Subordinate Obligations and Exchange Agreements. Operating Expenses shall also exclude debt service on General Obligation Bonds and NSS General Obligation Bonds. Aggregate financing payments under capitalized lease agreements shall be payable as Operating Expenses to the extent payments under such capitalized lease agreements either (i) do not constitute Capital Expenditures under the Use and Lease Agreements, or (ii) constitute Capital Expenditures under the Use and Lease Agreements and have not been disapproved by the Majority-in-Interest under the Use and Lease Agreements. Any financing payments on capitalized lease agreements not satisfying the requirements of either clause (i) or (ii) above, may be payable in accordance with Section 4.06(i) hereof."

(g) The second paragraph of the definition of "Project Revenues" is hereby amended to read as follows:

"Project Revenues as defined in the preceding paragraph shall not include (a) (i) any and all Passenger Facility Charges, or any taxes which the City may from time to time impose upon users of the Airport System, and (ii) Designated PFC Revenues for Debt Service, (b) any governmental grants and contributions in aid of capital projects, (c) such rentals as may be received pursuant to Special Facility Agreements for Special Purpose Facilities, (d) unless pledged pursuant to a Supplemental Ordinance pursuant to Section 4.02 hereof, Customer Facility Charges, (e) proceeds of the sale of Bonds and any income realized from the investment of proceeds of the sale of Bonds maintained in the Aviation Capital Fund and income realized from investments of amounts maintained in the Renewal Fund and Sinking Fund Reserve Account, (f) except as required by applicable laws, rules or regulations, net proceeds from the sale of Airport assets, including the sale or transfer of all or substantially all of the assets of the Airport System under Section 9.01 hereof unless the Division of Aviation determines to include any such net proceeds as Project Revenues

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and such determination is evidenced by written notification by the City to the Fiscal Agent, (g) proceeds of insurance or eminent domain (other than proceeds that provide for lost revenue due to business interruption or business loss), and (h) net amounts payable to the City under a Qualified Swap (other than termination amounts payable to a Qualified Swap Provider due as a result of termination of a Qualified Swap)."

(h) The definition of "Rating Agency" is hereby amended to read as follows:

"Rating Agency" means any rating service which has issued a credit rating on Bonds which is in effect at the time in question or, upon discontinuance of any of such rating services, such other nationally recognized rating service or services if any such rating service has issued a credit rating on the Bonds at the request of the City and such credit rating is in effect at the time in question."

(i) The definition of "Qualified Swap" or "Swap Agreement" is hereby amended to read as follows:

"Qualified Swap" or "Swap Agreement" means, with respect to a Series of Bonds, any financial arrangement that (i) is entered into by the City with an entity that is a Qualified Swap Provider at the time the arrangement is entered into; (ii) provides that (a) the City shall pay to such entity an amount based on the interest accruing at a fixed rate on an amount equal to the principal amount of all or any portion of the Outstanding Bonds of such Series, and that such entity shall pay to the City an amount based on the interest accruing on a principal amount initially equal to the same principal amount of such Bonds, at either a variable rate of interest or a fixed rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by the Bonds) or that one shall pay to the other any net amount due under such arrangement, (b) the City shall pay to such entity an amount based on the interest accruing on the principal amount of all or any portion of the Outstanding Bonds of such Series at a variable rate of interest as set forth in the arrangement and that such entity shall pay to the City an amount based on interest accruing on a principal amount equal to the same principal amount of such Bonds at an agreed fixed rate or that one shall pay to the other any net amount due under such arrangement or, (c) the City shall be paid by a Qualified Swap Provider an

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amount, based on a notional amount equal to the principal amount of all or any portion of the Outstanding Variable Rate Bonds of such Series, if the interest rate on such Series of Variable Rate Bonds exceeds a previously agreed upon rate, and/or the City shall pay to the Qualified Swap Provider an amount, based on a notional amount equal to the principal amount of all or any portion of the Outstanding Variable Rate Bonds of such Series, if the interest rate on such Series of Variable Rate Bonds is less than a previously agreed upon rate; (iii) has been approved of in writing by the Signatory Airlines; and (iv) which has been designated in writing to the Fiscal Agent by the City as a Qualified Swap with respect to the Bonds."

(j) The defined term "Scheduled Airlines" and all references thereto in the Amended and Restated Ordinance are hereby changed to the "Signatory Airlines."

SECTION 3. Amendment of Section 3.01 of Amended and Restated Ordinance. The fourth paragraph of Section 3.01 of the Amended and Restated Ordinance is hereby amended by replacing "S&P" with "a Rating Agency".

SECTION 4. Amendment of Amended and Restated Ordinance. The Amended and Restated Ordinance is hereby amended by adding new Section 4.02A immediately after Section 4.02. New Section 4.02A, as added, reads as follows:

"Section 4.02A. Designated PFC Revenues for Debt Service. The City may for any period elect to designate any available Passenger Facility Charges ("PFCs") as "Designated PFC Revenues for Debt Service" by filing with the Fiscal Agent a certificate signed by the Director of Finance that includes (a) a representation by the City that such PFCs, when received by the City, may be validly designated as and included in "Designated PFC Revenues for Debt Service" under this Ordinance and are legally available to pay the Debt Service Requirements on all or a portion of the Bonds, (b) the amount of PFCs that are being designated as and included in "Designated PFC Revenues for Debt Service," (c) the appropriate account(s) of the Sinking Fund such Designated PFC Revenues for Debt Service are to be deposited to, and (d) the time period during which such Designated PFC Revenues for Debt Service will be designated as and included in "Designated PFC Revenues for Debt Service." After the filing of such certificate with the Fiscal Agent, the City shall cause the Designated PFC Revenues for Debt Service designated therein to be deposited to the account(s) of the Sinking Fund and used to pay the Debt Service Requirements on the applicable Series of Bonds.

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Notwithstanding any other provision hereof, if such Designated PFC Revenues for Debt Service are subject to any prior pledge or lien or irrevocable commitment, the application thereof to the payment of Debt Service Requirements on the Bonds shall be subordinate to the terms of such prior pledge or lien or irrevocable commitment and the certificate of the Director of Finance designating the Designated PFC Revenues for Debt Service shall indicate the amount of the obligation payable in such Fiscal Year from the Designated PFC Revenues for Debt Service pursuant to such prior pledge or lien or irrevocable commitment."

SECTION 5. Amendment of Section 4.09 of Amended and Restated Ordinance. The second paragraph of Section 4.09 of the Amended and Restated Ordinance is hereby amended to read as follows:

"If a Supplemental Ordinance for a Series of Bonds designates a Non-Parity Sinking Reserve Requirement for such Series of Bonds, the Supplemental Ordinance pursuant to which such Bonds were issued shall either create a separate Non-Parity Sinking Fund Reserve Subaccount, or create or designate a previously created subaccount within the Sinking Fund Reserve Account. Notwithstanding anything to the contrary in this Section 4.09, the City shall not create a Non-Parity Sinking Fund Reserve Account or designate a Non-Parity Sinking Fund Reserve Requirement unless the City first obtains written confirmation from any one Rating Agency then rating the Bonds that such action, in and of itself, will not result in a downgrade, suspension or withdrawal of the credit rating on any Bonds Outstanding hereunder. The City shall, under direction of the Director of Finance, deposit in the specified Non-Parity Sinking Fund Reserve Subaccount created pursuant to any Supplemental Ordinance, the amount required to be deposited pursuant to the Supplemental Ordinance for such Series of Bonds. The money and investments in each Non-Parity Sinking Fund Reserve Subaccount shall be held and maintained in an amount equal at all times to the applicable Non-Parity Sinking Fund Reserve Requirement for such Series secured thereby, as provided in the Supplemental Ordinance authorizing such Series of Bonds. All amounts in each Non-Parity Sinking Fund Reserve Subaccount shall be available solely to secure the Bonds specified in the Supplemental Ordinance pursuant to which such subaccount was created."

SECTION 6. Amendment of Section 5.01(a) of Amended and Restated Ordinance. Section 5.01(a) of the Amended and Restated Ordinance relating to the *Rate*

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Covenant is hereby amended to read as follows:

"(a) The City covenants with Bondholders that it will, at a minimum, impose, charge and recognize as revenues in each Fiscal Year such rentals, charges and fees as shall, together with that portion of the Aviation Operating Fund balance attributable to Amounts Available for Debt Service and carried forward at the beginning of such Fiscal Year and together with all other Amounts Available for Debt Service to be received in such Fiscal Year, equal not less than the greater of:

(1) The sum of:

- (a) all Net Operating Expenses payable during such Fiscal Year;
- (b) 150% of the amount required to pay the Debt Service Requirements during such Fiscal Year;
- (c) the amount, if any, required to be paid into the Sinking Fund Reserve Account during such Fiscal Year; and
- (d) the amount, if any, required to be paid into the Renewal Fund during such Fiscal Year; or

(2) The sum of:

all Operating Expenses payable during such Fiscal Year;
and

(A) all Debt Service Requirements during such Fiscal Year;
(B) all debt service requirements during such Fiscal Year in respect of all outstanding General Obligation Bonds issued for improvements to the Airport System and all outstanding NSS General Obligation Bonds issued for improvements to the Airport System; (C) all debt service requirements during such Fiscal Year on Subordinate Obligations and any other subordinate indebtedness secured by any Amounts Available for Debt Service; (D) all amounts required to repay loans among funds made pursuant to Section 4.05(c); (E) the amount, if any, required to be paid into the Sinking Fund Reserve Account or Renewal Fund

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during such Fiscal Year; and (F) all amounts required to be paid under Exchange Agreements.

Provided, however, if (i) the written election of the City is obtained and filed with the Fiscal Agent, and (ii) so long as any Use and Lease Agreement is in effect, the prior written consent of the Signatory Airlines to amend the Use and Lease Agreements is obtained, then the foregoing rate covenant shall no longer be effective, and the rate covenant in Section 9.02 hereof shall be substituted in lieu of the foregoing for all purposes."

SECTION 7. Amendment of Section 5.04(a) of Amended and Restated Ordinance. Section 5.04(a) of the Amended and Restated Ordinance is hereby amended by deleting the last sentence thereof.

SECTION 8. Amendments of Section 10.01 of Amended and Restated Ordinance. Section 10.01 of the Amended and Restated Ordinance is hereby amended to read as follows:

"In addition to the enactment of Supplemental Ordinances supplementing or amending this Ordinance in connection with the issuance of successive Series of Bonds, this Ordinance and any Supplemental Ordinance may be further supplemented, modified or amended: (a) to cure any ambiguity, formal defect or omission herein or therein or to make such provisions in regard to matters or questions arising hereunder or thereunder which shall not be inconsistent with the provisions hereof or thereof and which shall not adversely affect the interests of Bondholders; (b) to grant to or confer upon Bondholders, or a trustee, if any, for the benefit of Bondholders any additional rights, remedies, powers, authority, or security that may be lawfully granted or conferred; (c) to incorporate modifications requested by any Rating Agency or Credit Facility provider to obtain or maintain a credit rating on any Series of Bonds; (d) to comply with any mandatory provision of state or federal law or with any permissive provision of such law or regulation which does not substantially impair the security or right to payment of the Bonds; provided however that no amendment or modification discussed in parts (a)-(d) of this Section 10.01 shall be made with respect to any Outstanding Bonds to alter the amount, rate or time of payment, respectively, of the principal thereof or the interest thereon or to alter the redemption provisions thereof without the written consent of the Holders of all affected Outstanding Bonds; and (e) except as aforesaid, in such other respect as may be authorized in writing by the Holders of sixty-seven percent (67%) in principal amount or Original Value in the case of Capital Appreciation Bonds of the Bonds Outstanding and affected. In the

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case of a Credit Facility, Standby Agreement or Qualified Swap, if and to the extent provided in the Supplemental Ordinance and Determination of Bonds related thereto, the provider thereof may be the representative of the Bondholders of such Series or portion of such Series for purposes of Bondholder consent, approval or authorization. The written authorization of Bondholders of any supplement to or modification or amendment of this Ordinance or any Supplemental Ordinance need not approve the particular form of any proposed supplement, modification or amendment but only the substance thereof. Bonds, the payment for which has been provided for in accordance with Section 6.04 hereof, shall be deemed to be not Outstanding."

SECTION 9. Amendment of Section 2.01 of Amended and Restated Ordinance. Section 2.01 of the Amended and Restated Ordinance relating to *Definitions And Other Provisions Of General Application* is hereby amended as follows:

(a) The following definitions are hereby deleted from Section 2.01:

- (i) "Assumed Amortization Period"
- (ii) "Assumed Interest Rate"
- (iii) "Investment Banker's Certificate"

(b) The definition of "Credit Facility" is hereby amended to read as follows:

"Credit Facility" means any letter of credit, standby bond purchase agreement, line of credit, surety bond, insurance policy or other insurance commitment or similar agreement (other than a Qualified Swap or an Exchange Agreement) that is provided by a commercial bank, insurance company or other institution, with a current long term rating in at least the "A" category by a Rating Agency at the time the Credit Facility is obtained by the City."

(c) The definition of "Substitute Credit Facility" is hereby amended to read as follows:

"Substitute Credit Facility" means any letter of credit, standby bond purchase agreement, line of credit, surety bond, insurance policy or other insurance commitment or similar agreement (other than a Qualified Swap or an Exchange Agreement) that replaces a Credit Facility and is provided by a commercial bank, insurance company or other financial institution

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with a then current long term rating in at least the "A" category by a Rating Agency at the time the Substitute Credit Facility is obtained by the City; provided that in no event shall such substitution take place unless a Rating Agency then rating the Bonds acknowledges in writing that such substitution, in and of itself, will not result in a lowering, suspension or withdrawal of the rating on the Bonds secured by such Substitute Credit Facility."

SECTION 10. Amendment of Section 4.09 of Amended and Restated Ordinance. The sixth paragraph of Section 4.09 of the Amended and Restated Ordinance is hereby amended to read as follows:

"The insurer providing such surety bond or insurance policy shall be an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in not lower than the "A" category (without regard to gradations) by any one Rating Agency. The letter of credit issuer shall be a bank or trust company which is rated not lower than the "A" category (without regard to gradations) by any one Rating Agency, and the letter of credit itself shall be rated in at least "A" category of such Rating Agency. If a disbursement is made pursuant to a Sinking Fund Reserve Facility provided pursuant to this subsection, the City shall be obligated either (i) to reinstate the maximum limits of such Sinking Fund Reserve Facility or (ii) to deposit into the applicable account or subaccount of the Sinking Fund Reserve Account, funds in the amount of the disbursement made under such Sinking Fund Reserve Facility, or a combination of such alternatives, as shall provide that the amount in the applicable account or subaccount of the Sinking Fund Reserve Account equals the Sinking Fund Reserve Requirement for the related Series of Bonds within a time period not longer than would be required to restore the applicable account or subaccount of the Sinking Fund Reserve Account by operation of this Section 4.09 and from the same source of funds as provided herein. Upon the occurrence of any reduction or suspension of any credit rating with respect to such Sinking Fund Reserve Facility (or the provider thereof) required by this Section 4.09, the City shall replace the Sinking Fund Reserve Facility with a new one that meets the aforesaid rating requirements; provided however that with respect to any letter of credit that is a Sinking Fund Reserve Facility, the City may in lieu of replacing such Sinking Fund Reserve Facility, cause the Sinking Fund Reserve Facility to be drawn upon to the full extent possible and deposit such monies in the subaccount of the Sinking Fund Reserve Account in which the Sinking Fund Reserve Facility was held. In addition, 30 days prior to the expiration date of any Sinking Fund Reserve

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Facility, that is a letter of credit the City shall either extend the term of such Sinking Fund Reserve Facility by at least one year or deposit cash in the face amount of the Sinking Fund Reserve Facility in question in the appropriate account or subaccount of the Sinking Fund Reserve Account in replacement of such Sinking Fund Reserve Facility, and if the City fails to take either of such actions by such date, the Fiscal Agent shall within five Business Days thereafter draw down upon the Sinking Fund Reserve Facility that is a letter of credit to the full extent possible and deposit the proceeds of such draw in the appropriate subaccount of the Sinking Fund Reserve Account."

SECTION 11. Amendment of Section 5.01(b)(1) of Amended and Restated Ordinance. Section 5.01(b)(1) of the Amended and Restated Ordinance is hereby amended to read as follows:

"(b)(1) In the event that any Bonds Outstanding are, or any proposed series of Bonds, are to be Balloon Bonds, then Debt Service Requirements on such Balloon Bonds shall be calculated for purposes of projecting compliance with this Section or Section 5.04 below, or for purposes of determining the Sinking Fund Reserve Requirement for a particular series of Balloon Bonds, whether for any period prior to or after the date of calculation, as follows:

(A) If such Balloon Bonds are not Capital Appreciation Bonds, then, for purposes of determining Debt Service Requirements, each maturity that constitutes Balloon Bonds shall, unless otherwise provided in a Supplemental Ordinance under which such Balloon Bonds are issued, be treated as if it were to be amortized over a period of no more than 30 years and with substantially level annual debt service funding payments commencing not later than the year following the year in which such Balloon Bonds were issued, and extending not later than the stated or deemed, as the case may be, final maturity of such Balloon Bonds, but in no event later than 30 years from the date such Balloon Bonds were originally issued; and the interest rate used for such computation shall be that rate quoted in The Bond Buyer 25 Revenue Bond Index, or its successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index designated in a Determination, or if a Determination fails to select a replacement index, that rate determined by a banking institution or an investment

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banking institution knowledgeable in airport finance as the interest rate or rates at which the City could reasonably expect to borrow by incurring indebtedness with the same term as assumed above, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; with respect to any Bonds only a portion of which constitutes Balloon Bonds, the remaining portion shall be treated as described in such other provision of the definition of Debt Service Requirements as shall be applicable and, with respect to any Bonds or that portion of a series thereof which constitutes Balloon Bonds, all Debt Service Requirements becoming due prior to the year of the stated maturity of the Balloon Bonds shall be treated as described in such other provision of Debt Service Requirements as shall be applicable; and

(B) If such Balloon Bonds are Capital Appreciation Bonds, by assuming that the Accreted Value of such Bonds for purposes of determining Debt Service Requirements, each maturity that constitutes Balloon Bonds shall, unless otherwise provided in a Supplemental Ordinance under which such Balloon Bonds are issued, be treated as if it were to be amortized over a period of no more than 30 years and with substantially level annual debt service funding payments commencing not later than the year following the year in which such Balloon Bonds were issued, and extending not later than the stated or deemed, as the case may be, final maturity of such Balloon Bonds, but in no event later than 30 years from the date such Balloon Bonds were originally issued; and the interest rate used for such computation shall be that rate quoted in The Bond Buyer 25 Revenue Bond Index, or its successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index designated in a Determination, or if a Determination fails to select a replacement index, that rate determined by a banking institution or an investment banking institution knowledgeable in airport finance as the interest rate or rates at which the City could reasonably expect to borrow by incurring indebtedness with the same term as assumed above, with no credit enhancement and taking into consideration whether such Bonds bear interest

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which is or is not excluded from gross income for federal income tax purposes; with respect to any Bonds only a portion of which constitutes Balloon Bonds, the remaining portion shall be treated as described in such other provision of the definition of Debt Service Requirements as shall be applicable and, with respect to any Bonds or that portion of a series thereof which constitutes Balloon Bonds, all Debt Service Requirements becoming due prior to the year of the stated maturity of the Balloon Bonds shall be treated as described in such other provision of Debt Service Requirements as shall be applicable."

SECTION 12. Amendment of Section 10.01 of Amended and Restated Ordinance. Section 10.01 of the Amended and Restated Ordinance is hereby amended to read as follows:

"In addition to the enactment of Supplemental Ordinances supplementing or amending this Ordinance in connection with the issuance of successive Series of Bonds, this Ordinance and any Supplemental Ordinance may be further supplemented, modified or amended: (a) to cure any ambiguity, formal defect or omission herein or therein or to make such provisions in regard to matters or questions arising hereunder or thereunder which shall not be inconsistent with the provisions hereof or thereof and which shall not adversely affect the interests of Bondholders; (b) to grant to or confer upon Bondholders, or a trustee, if any, for the benefit of Bondholders any additional rights, remedies, powers, authority, or security that may be lawfully granted or conferred; (c) to incorporate modifications requested by any Rating Agency or Credit Facility provider to obtain or maintain a credit rating on any Series of Bonds; (d) to comply with any mandatory provision of state or federal law or with any permissive provision of such law or regulation which does not substantially impair the security or right to payment of the Bonds; provided however that no amendment or modification discussed in parts (a)-(d) of this Section 10.01 shall be made with respect to any Outstanding Bonds to alter the amount, rate or time of payment, respectively, of the principal thereof or the interest thereon or to alter the redemption provisions thereof without the written consent of the Holders of all affected Outstanding Bonds; and (e) except as aforesaid, in such other respect as may be authorized in writing by the Holders of fifty-one percent (51%) in principal amount or Original Value in the case of Capital Appreciation Bonds of the Bonds Outstanding and affected. In the case of a Credit Facility, Standby Agreement or Qualified Swap, if and to the extent provided in the Supplemental Ordinance and Determination of Bonds related thereto, the provider thereof may be the representative of

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the Bondholders of such Series or portion of such Series for purposes of Bondholder consent, approval or authorization. The written authorization of Bondholders of any supplement to or modification or amendment of this Ordinance or any Supplemental Ordinance need not approve the particular form of any proposed supplement, modification or amendment but only the substance thereof. Bonds, the payment for which has been provided for in accordance with Section 6.04 hereof, shall be deemed to be not Outstanding."

SECTION 13. Amendment of Section 2.01 of Amended and Restated Ordinance. Section 2.01 of the Amended and Restated Ordinance relating to *Definitions And Other Provisions Of General Application* is hereby amended as follows:

(a) The second paragraph of the definition of "Project Revenues" is hereby amended to read as follows:

"Project Revenues as defined in the preceding paragraph shall not include (a) (i) any and all Passenger Facility Charges, or any taxes which the City may from time to time impose upon users of the Airport System, and (ii) Designated PFC Revenues for Debt Service, (b) any governmental grants and contributions in aid of capital projects, (c) such rentals as may be received pursuant to Special Facility Agreements for Special Purpose Facilities, (d) unless pledged pursuant to a Supplemental Ordinance pursuant to Section 4.02 hereof, Customer Facility Charges, (e) Released Revenues, (f) proceeds of the sale of Bonds and any income realized from the investment of proceeds of the sale of Bonds maintained in the Aviation Capital Fund and income realized from investments of amounts maintained in the Renewal Fund and Sinking Fund Reserve Account, (g) except as required by applicable laws, rules or regulations, net proceeds from the sale of Airport assets, including the sale or transfer of all or substantially all of the assets of the Airport System under Section 9.01 hereof unless the Division of Aviation determines to include any such net proceeds as Project Revenues and such determination is evidenced by written notification by the City to the Fiscal Agent, (h) proceeds of insurance or eminent domain (other than proceeds that provide for lost revenue due to business interruption or business loss), and (i) net amounts payable to the City under a Qualified Swap (other than termination amounts payable to a Qualified Swap Provider due as a result of termination of a Qualified Swap)."

(b) The defined term "Released Revenues" is hereby added to Section 2.01 to read as follows:

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"Released Revenues" means revenues in respect of which the following have been filed as part of a Supplemental Ordinance: (a) documentation of the City describing a specific identifiable portion of revenues and approving that such revenues be excluded from the term Project Revenues; (b) either (i) a certificate prepared by the City showing that revenues for each of the two most recent completed Fiscal Years, after the specific identifiable portion of revenues covered by the City's documentation described in (a) above are excluded, were at least sufficient to satisfy the provisions of Section 5.01 hereof; or (ii) a certificate prepared by a Consultant showing that the estimated revenues (excluding the specific identifiable portion of revenues covered in (a) above) for each of the first three complete Fiscal Years immediately following the Fiscal Year in which the documentation described in (a) above is provided by the City, will not be less than the amounts sufficient to satisfy the provisions of Section 5.01 hereof; (c) an opinion of Bond Counsel to the effect that the exclusion of such specific identifiable portion of revenues from the definition of Project Revenues and from the pledge and lien of this Amended and Restated General Airport Revenue Bond Ordinance will not, by itself, cause the interest on any Outstanding Bonds to be included in gross income for purposes of federal income tax; and (d) written confirmation from each Rating Agency that has been requested by the City to maintain a rating on the Bonds and are then maintaining a rating on any of the Bonds to the effect that the exclusion of such specific identifiable portion of revenues from the definition of Project Revenues will not cause a withdrawal or reduction in any unenhanced rating then assigned to the Bonds.

Additionally, the City shall give written notice to each Rating Agency that has been requested by the City to maintain a rating on the Bonds and that is then maintaining a rating on any of the Bonds at least 15 days prior to any specific identifiable portion of revenues being excluded from the definition of Project Revenues as provided in this definition of "Released Revenues."

Upon filing of such documents, the specific identifiable portion of revenues described in the Supplemental Ordinance shall no longer be included in the definition of Project Revenues and shall be excluded from the pledge and lien of this Amended and Restated General Airport Revenue Bond Ordinance, unless otherwise included in the definition of Project Revenues in a future Supplemental Ordinance."

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(c) The definition of "Sinking Fund Reserve Requirement" is hereby amended to read as follows:

"Sinking Fund Reserve Requirement" means (i) with respect to all Bonds (whether interest thereon is includable in, or excludable from, gross income for Federal income tax purposes) which the City determines will be secured by the Parity Sinking Fund Reserve Account, an amount equal to the least of: (a) 10% of the outstanding principal amount of the Bonds, or if any series of Bonds are issued with original issue discount, 10% of the proceeds of such Bonds, (b) the maximum annual debt service on the Bonds, or (c) 125% of the average annual debt service on the Bonds, provided, however, in calculating the maximum annual debt service on the final maturity date for the Bonds Outstanding, an amount equal to the Sinking Fund Reserve Requirement may be subtracted from the debt service requirements amount for said year. For purposes of determining the Sinking Fund Reserve Requirement, Debt Service Requirements will be computed without regard to any Qualified Swap, Credit Facility or Standby Agreement, and the Debt Service Requirements attributable to any (i) Balloon Bonds, or Variable Rate Bonds shall be calculated in the manner set forth in Section 5.01(b) hereof, or based upon the assumed fixed rate of interest as set forth in the Supplemental Ordinance or Determination for such Bonds, and (ii) Option Bonds shall be calculated in the manner set forth in the last paragraph under the definition of Debt Service Requirements."

SECTION 14. Other Elections Under the Amended and Restated Ordinance. The Bond Committee is authorized on behalf of the City, without any further action by City Council, to make any and all additional elections under the Amended and Restated Ordinance as it shall determine to be in the best interest of the City as and when it shall deem such elections to be appropriate.

SECTION 15. Effect of Ordinance. This Ordinance is amendatory and supplementary to the Amended and Restated Ordinance and all sections of the Amended and Restated Ordinance and the Act not inconsistent herewith shall remain effective. All definitions of terms contained in the Amended and Restated Ordinance shall apply to such terms in this Ordinance. No further action of City Council is necessary for this Ordinance to become effective. Sections 1 through 8 and Section 14 of this Ordinance shall become effective immediately. Notwithstanding Section 16, Sections 9 through 12 of this Ordinance shall become effective upon the consent of the Holders of at least sixty-seven percent (67%) of the Outstanding Bonds (the "67% Effective Date"). The City, through the Director of Finance, shall publish notice of the 67% Effective Date to all

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Holders upon the occurrence of the consent of at least sixty-seven percent (67%) of the Outstanding Bonds. Notwithstanding Section 16, Section 13 of this Ordinance shall become effective upon the consent of the Holders of one hundred percent (100%) of the Outstanding Bonds (the "100% Effective Date"). The City, through the Director of Finance, shall publish notice of the 100% Effective Date to all Holders upon the occurrence of the consent of one hundred percent (100%) of the Outstanding Bonds. Publication through the Electronic Municipal Market Access System (EMMA) or such other nationally recognized municipal securities information repository shall constitute an acceptable mode of publication.

SECTION 16. Effective Date. This Ordinance shall take effect immediately.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on May 11, 2017. The Bill was Signed by the Mayor on May 17, 2017.



Michael A. Decker
Chief Clerk of the City Council