

Execution Copy

**THE DELAWARE RIVER AND BAY AUTHORITY**

**TO**

**WILMINGTON TRUST COMPANY**

**AS TRUSTEE**

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**SUPPLEMENTAL TRUST AGREEMENT  
NUMBER 1**

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**Dated as of October 1, 1993**

**This Supplemental Trust Agreement Number 1** (the "Supplemental Agreement"), dated for convenience of reference as of the 1st day of October, 1993, supplemental to that certain Trust Agreement (the "Agreement"), dated as of October 1, 1993, between the Authority and Wilmington Trust Company, as Trustee (the "Trustee"), by and between

**THE DELAWARE RIVER AND BAY AUTHORITY,**

a body politic and an agency of government of the State of Delaware and the State of New Jersey, duly created as hereinafter mentioned, and

**WILMINGTON TRUST COMPANY,** as Trustee

a bank and trust company duly organized and existing under the laws of the State of Delaware and having its principal office in the City of Wilmington, Delaware, which is authorized under such laws to exercise corporate trust powers and is subject to examination by state authority, as trustee (said trust company and any bank or trust company becoming successor trustee under this Supplemental Agreement being hereinafter sometimes called the "Trustee"), WITNESSETH:

WHEREAS, for the purpose of paying: (i) certain outstanding indebtedness with respect to the Authority's outstanding revenue bonds originally issued in the aggregate principal amount of \$103,000,000 (the "Prior Bonds") and the defeasance of the trust agreement, dated as of January 1, 1964 (the "Prior Trust Agreement") pursuant to which the Prior Bonds were issued and (ii) the costs of certain Additional Facilities (as defined herein) the Delaware River and Bay Authority (hereinafter sometimes called the "Authority") has entered into the Agreement; and

WHEREAS, pursuant to the Agreement, the Authority has determined to issue its revenue bonds and to apply a portion of the proceeds of such revenue bonds in order to provide an amount sufficient for the payment of the principal and interest on the Prior Bonds as the same shall become due and payable and thereby effect the defeasance of the Prior Trust Agreement; and

WHEREAS, the Authority has determined to apply a portion of the proceeds of such revenue bonds to be issued initially under the provisions of the Agreement in order to provide for the costs of certain Additional Facilities (as defined herein); and

WHEREAS, this Supplemental Agreement is being entered into by the Authority and the Trustee pursuant to the provisions of Section 208 of the Agreement in order to provide for the issuance of the initial series of bonds pursuant to the Agreement for the purposes set forth in the two preceding paragraphs; and

WHEREAS, by virtue of the Enabling Legislation, the Compact and the Agreement, the Authority is authorized to issue its revenue bonds as hereinafter provided, to enter into this

Supplemental Agreement and to do or cause to be done all the acts and things herein provided or required to be done as hereinafter covenanted; and

WHEREAS, the execution and delivery of this Supplemental Agreement have been duly authorized by resolution of the Authority; and

WHEREAS, all acts, conditions and things required by the constitution and laws of the State of Delaware and the State of New Jersey and the Compact, to happen, exist and be performed precedent to and in the execution and delivery of this Supplemental Agreement have happened, exist and have been performed as so required, in order to make this Supplemental Agreement a legal, valid and binding trust agreement for the security of the bonds in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Supplemental Agreement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, as follows:

## ARTICLE I.

### DEFINITIONS.

**SECTION 101. Meaning of words and terms.** In addition to words and terms defined in the Agreement or elsewhere in this Supplemental Agreement, the following words and terms as used in this Supplemental Agreement shall have the following meanings, unless some other meaning is plainly intended:

**Additional Facilities.** The term "Additional Facilities" shall mean the various capital projects contained in approximately the first two (2) years of the Authority's current Five-Year Capital Improvement Program. Said capital projects relate to the improvement, rehabilitation and expansion of the Bridge and the Ferry and related facilities and appurtenances.

**Bond Insurance Policy.** The term "Bond Insurance Policy" shall mean, with respect to the 1993 Bonds, the financial guaranty insurance policy issued by the Insurer and guaranteeing the payment of principal of and interest on the 1993 Bonds stated to mature on January 1, 2000, January 1, 2001, January 1, 2008, January 1, 2009, January 1, 2010, January 1, 2017 and January 1, 2024.

**Bond Purchase Agreement.** The term "Bond Purchase Agreement" shall mean the Bond Purchase Agreement, dated September 30, 1993, by and between the Authority and Donaldson,

Lufkin & Jenrette Securities Corporation, as representative of the underwriters of the 1993 Bonds.

Insurer. The term "Insurer" shall mean, with respect to the 1993 Bonds, Municipal Bond Investors Assurance Corporation, the person undertaking to insure pursuant to the Bond Insurance Policy those certain maturities of the 1993 Bonds enumerated in the definition of Bond Insurance Policy contained in this Supplemental Agreement.

## ARTICLE II.

### THE SERIES 1993 BONDS

#### SECTION 201. Authorization of Revenue Bonds of the Authority.

(a) Authorization of 1993 Bonds. Pursuant to Section 208 of the Agreement, there are hereby authorized and there shall be initially issued at one time under and secured by the Agreement and this Supplemental Agreement revenue bonds of the Authority which shall be Current Interest Bonds in the aggregate initial principal amount of One Hundred Twenty-Three Thousand, Seven Hundred Fifty-five Thousand Dollars (\$123,755,000) designated "Revenue Bonds, Series 1993" (the "1993 Bonds"), for the purpose of providing funds, together with other available funds, to refund the outstanding Prior Bonds and to provide for a portion of the costs of the Additional Facilities.

(b) Certain Details of 1993 Bonds. The 1993 Bonds shall be dated October 1, 1993, shall consist of serial bonds maturing, subject to the provisions of subsection (d) of this section on January 1 in each of the years 1994 through 2010 and term bonds maturing, subject to the provisions of subsections (c) and (d) of this Section, January 1, 2017 and January 1, 2024. The 1993 Bonds of each maturity shall be issued in the principal amounts and bear interest at the rates per annum (based upon a 360-day year of twelve 30 day months) and prices or yields as set forth below:

<u>Maturity</u> <u>(January 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>
1994	\$ 850,000	2.70%	100%
1995	4,130,000	4.50	3.40
1996	4,315,000	4.75	3.55
1997	4,520,000	5.00	3.75
1998	4,745,000	5.125	4.00
1999	4,990,000	4.10	4.18
2000	5,195,000	4.10	4.18
2001	5,405,000	4.20	4.28
2002	5,635,000	4.30	4.44
2003	5,875,000	4.40	4.51
2004	6,135,000	4.50	4.61
2005	2,210,000	4.60	4.71
2006	2,310,000	4.70	4.81
2007	2,420,000	4.80	4.91
2008	2,535,000	4.80	4.93
2009	2,660,000	4.80	4.98
2010	2,785,000	4.90	5.03
2017	23,805,000	5.00	5.10
2024	33,235,000	4.75	5.10

(c) Amortization Requirements. The Amortization Requirements for the 1993 Bonds, referred to and defined and subject to adjustment as provided in Section 101 of the Agreement, shall be the following amounts on January 1 of the following years for the following term bonds:

\$23,805,000

Term Bonds due January 1, 2017

\$33,235,000

Term Bonds due January 1, 2024

<u>Date</u> <u>(January 1)</u>	<u>Amortization</u> <u>Requirement</u>	<u>Date</u> <u>(January 1)</u>	<u>Amortization</u> <u>Requirement</u>
2011	\$2,925,000	2018	\$4,115,000
2012	3,070,000	2019	4,310,000
2013	3,225,000	2020	4,515,000
2014	3,385,000	2021	4,725,000
2015	3,555,000	2022	4,950,000
2016	3,730,000	2023	5,185,000
2017*	3,915,000	2024*	5,435,000

At its option, to be exercised not less than forty-five (45) days prior to each such Applicable Principal Payment Date, the Authority may (a) deposit monies with the Trustee to be used to purchase 1993 Bonds, or direct the Trustee to cause monies in the Debt Service Fund to be used for such purchases, at a price not exceeding the principal amount thereof plus accrued interest to such Applicable Principal Payment Date, or (b) receive a credit against the Amortization Requirements for 1993 Bonds which prior to such date have been purchased by the Authority and presented to the Trustee for cancellation or redeemed (otherwise than in satisfaction of prior Amortization Requirements) and canceled by the Trustee and, in either case, not theretofore applied as a credit against any Amortization Requirement. Each such 1993 Bond so purchased, delivered or previously redeemed will be credited by the Trustee at 100% of the principal amount thereof against the current Amortization Requirement with respect to 1993 Bonds due on the same date as the Bond so purchased, delivered or previously redeemed and canceled. Any excess over such current Amortization Requirement will be credited against the future Amortization Requirements of term bonds with the same maturity date in such manner as the Authority shall determine, and the principal amount of such 1993 Bonds with such maturity date to be redeemed by mandatory sinking fund redemption will be reduced accordingly.

(d) Optional Redemption. The 1993 Bonds may not be called for redemption at the option of the Authority prior to January 1, 2004.

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\* Unamortized principal at stated maturity.

On and after January 1, 2004, the 1993 Bonds maturing on and after January 1, 2005 may be called for redemption prior to maturity at the option of the Authority, from any moneys that may be made available for such purpose, other than moneys set aside in respect of an Interest Requirement, Principal Requirement or Amortization Requirement, in whole or in part at any time, from such maturity or maturities as the Authority may direct and within a maturity by lot, at redemption prices (expressed as a percentage of principal amount of 1993 Bonds, or portions thereof, to be redeemed), plus interest accrued to the date fixed for redemption, as follows:

<u>Redemption Period (dates inclusive)</u>	<u>Redemption Price</u>
January 1, 2004 through December 31, 2004	102%
January 1, 2005 through December 31, 2005	101
January 1, 2006 and thereafter	100

(e) Form of 1993 Bonds. The definitive 1993 Bonds issued under the provisions of this Supplemental Agreement shall be in substantially the form set forth in Appendix A. The 1993 Bonds shall be issued in registered form without coupons in the name of Cede & Co., as nominee of The Depository Trust Company, with certificates which shall be numbered R-\_\_ followed by the number of the 1993 Bonds.

**SECTION 202. Authorization of Bonds.** Upon their execution in the form and manner set forth in the Agreement and this Supplemental Agreement, the Bonds shall be deposited with the Bond Registrar for authentication, and the Bond Registrar is hereby authorized and directed to authenticate and, upon due and valid execution and acceptance of the Agreement and this Supplemental Agreement, by the proper parties thereto, the Trustee shall cause the Bond Registrar to deliver the Bonds for the account of Donaldson, Lufkin & Jenrette Securities Corporation, as representative of the underwriters at The Depository Trust Company, New York, New York, against payment therefor in accordance with and subject to the provisions of Section 208 of the Agreement.

**SECTION 203. Appointments.** Pursuant to Section 208 of the Agreement, the Authority hereby makes the following appointments:

(a) as Paying Agent and Bond Registrar for the Bonds, Wilmington Trust Company, which is also Trustee under the Agreement and this Supplemental Agreement;

(b) as Escrow Agent under the Escrow Deposit Agreement for the Prior Bonds, Delaware Trust Company, which is also a Paying Agent for the Prior Bonds;

(c) as Depository with respect to the following funds, each of the following:

- (i) Construction Fund: Wilmington Trust Company;
- (ii) Revenue Fund: Wilmington Trust Company;
- (iii) Reserve Maintenance Fund: Wilmington Trust Company;
- (iv) General Fund: (including the Authority's self-insurance fund) Wilmington Trust Company;

(d) as Verification Agent, KPMG Peat-Marwick, Houston, Texas for the purpose of verifying the accuracy of the calculation establishing the sufficiency of the funds deposited with and investments to be made by the Escrow Agent to provide for the redemption of the Prior Bonds; and

(e) as Insurer, Municipal Bond Investors Assurance Corporation.

SECTION 204. Application of Bond Proceeds. The proceeds of the 1993 Bonds shall be applied in accordance with the provisions of Section 208 of the Agreement as follows:

(1) to the Trustee for deposit to the Debt Service Fund, the amount of any accrued interest received with the purchase price with respect to the 1993 Bonds;

(2) to the Escrow Agent for deposit to the credit of the escrow fund created pursuant to the Escrow Deposit Agreement, a portion of the proceeds of the 1993 Bonds in the amount of \$41,555,096.34.

(3) to the Trustee for deposit to the Debt Service Reserve Fund, a portion of the proceeds of the 1993 Bonds in the amount of \$4,729,048.75;

(4) to the Insurer, in satisfaction of the premium payment to the Insurer in connection with the issuance of the Bond Insurance Policy, the amount of \$586,000.00; and

(5) to the Trustee for deposit to a special subaccount in the Construction Fund designated "Series 1993 Construction Account", the balance of the proceeds (\$73,988,921.26) of such 1993 Bonds.

### ARTICLE III.

#### REGARDING THE INSURER

SECTION 301. Additional Provisions. The following provisions are incorporated in this Supplemental Agreement and shall apply to the 1993 Bonds:



(a) The Authority covenants that it will provide the Insurer with: all reports, financial statements, notices or other information in the same form and manner as it provides to the Trustee, Bond Registrar, Consulting Engineers, Paying Agent, the owners of the Bonds, or any other party pursuant to the terms of the Agreement, including, but not limited to: the annual audited financial statements prepared pursuant to Section 709 of the Agreement; the report of the Consulting Engineers submitted pursuant to Section 504 of the Agreement; all distributions made in connection with the Annual Budget pursuant to Section 505 of the Agreement; and all notices relating to resignations, removals and appointments with respect to the Trustee, Bond Registrar and any Depository made pursuant to Article IX of the Agreement.

(b) The fair market value of repurchase agreements shall be determined in the manner prescribed in paragraph (b) of the definition of "Investment Obligations" contained in Section 101 of the Agreement, provided, however, that such repurchase agreements shall be maintained in an amount at least equal to one hundred three percent (103%) of the amount invested in such repurchase agreements. In addition, the term of such repurchase agreements may not exceed thirty (30) days. The Authority may disregard the restrictions of this paragraph only with the prior written consent of the Insurer.

(c) In accordance with the provisions of Section 812 of the Agreement, the Insurer shall be treated as the owner of the 1993 Bonds upon which it is obligated pursuant to the Bond Insurance Policy for the purposes of calculating whether or not the owners of the requisite percentage of bonds then outstanding have consented to any request, consent, directive, waiver or other action permitted to be taken by the owners of the bonds pursuant to Article VIII of the Agreement; provided, however, that in the event of any advancement of the due date of the principal of the Bonds resulting from a default or otherwise, payments with respect to 1993 Bonds upon which the Insurer is obligated pursuant to the Bond Insurance Policy shall, nevertheless, be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration; provided further, however, that the Insurer shall cease to be so regarded as owner of such bonds in the event the Insurer is in default of its obligations under the Bond Insurance Policy.

(d) Pursuant to Section 1105 of the Agreement, and other than with respect to supplemental agreements entered into pursuant to Section 1101(e), Section 1101(h) or Section 1101(i) of the Agreement, no supplemental agreement affecting the 1993 Bonds secured by the Bond Insurance Policy shall become effective unless and until the Insurer shall have consented thereto in writing and notice of such consent shall have been given to the Rating Services.

(e) Any notice to the Insurer shall be given in the same manner as prescribed in Section 1303 of the Agreement and addressed to: Municipal Bond Investors Assurance Corporation, 113 King Street, Armonk, New York 10504.

## ARTICLE IV.

### MISCELLANEOUS

SECTION 401. Multiple Counterparts. This Supplemental Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

SECTION 402. Headings, etc. Not Part of Agreement. Any headings preceding the texts of the several articles or sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Supplemental Agreement, nor shall they affect its meaning, construction or effect.

SECTION 403. Controlling laws. This Supplemental Agreement is made and entered into under and pursuant to the Constitution and Laws of the State of Delaware and of the State of New Jersey, particularly the Enabling Legislation and the Compact.

IN WITNESS WHEREOF, The Delaware River and Bay Authority, by its Board of Commissioners as the governing body thereof, has caused this Supplemental Agreement to be executed by the Chairman, the Vice-Chairman and the Secretary of the Authority under the official and corporate seal of The Delaware River and Bay Authority, and Wilmington Trust Company, as Trustee has caused this Supplemental Agreement to be executed in its behalf by

its Vice President and its corporate seal to be impressed hereon and attested by its Secretary or an Secretary, all as of the day and year first above written.

THE DELAWARE RIVER AND BAY AUTHORITY,

By Joseph J. Pace  
JOSEPH J. PACE, SR.,  
Chairman

Garrett B. Lyons  
GARRETT B. LYONS, SR.,  
Vice-Chairman

Anthony S. Marsella  
ANTHONY S. MARSELLA,  
Secretary

[Seal]

WILMINGTON TRUST COMPANY,  
Trustee

By \_\_\_\_\_  
\_\_\_\_\_  
Vice President

[Seal]

Attest:

\_\_\_\_\_  
Assistant Secretary

Approved as to legality and form:

MORRIS, NICHOLS, ARSHT & TUNNELL

O. Francis Biondi  
By O. FRANCIS BIONDI, ESQ.  
Counsel for the Authority

POPLAR & EASTLACK

Carl D. Poplar  
By CARL D. POPLAR, ESQ.  
Counsel for the Authority

its Vice President and its corporate seal to be impressed hereon and attested by its Secretary or an Secretary, all as of the day and year first above written.

THE DELAWARE RIVER AND BAY AUTHORITY,

By \_\_\_\_\_  
JOSEPH J. PACE, SR.,  
Chairman

\_\_\_\_\_  
GARRETT B. LYONS, SR.,  
Vice-Chairman

\_\_\_\_\_  
ANTHONY S. MARSELLA,  
Secretary

[Seal]

WILMINGTON TRUST COMPANY,

Trustee

By   
\_\_\_\_\_  
L. M. Marini  
Vice President

[Seal]

Attest:

  
\_\_\_\_\_  
Assistant Secretary

Approved as to legality and form:

MORRIS, NICHOLS, ARSHT & TUNNELL

By \_\_\_\_\_  
O. FRANCIS BIONDI, ESQ.  
Counsel for the Authority

POPLAR & EASTLACK

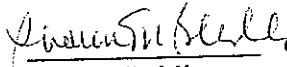
By \_\_\_\_\_  
CARL D. POPLAR, ESQ.  
Counsel for the Authority



STATE OF DELAWARE )  
: ss.:  
NEW CASTLE COUNTY )

The foregoing Supplemental Agreement was acknowledged before me, a notary public within and for said County and State, on the 25<sup>th</sup> day of October, 1993, by L. M. Marini, who is a Vice President of WILMINGTON TRUST COMPANY and who acknowledged that the name of said bank and trust company was subscribed to the foregoing Supplemental Agreement by himself as Vice President thereof by the direction and authority of said trust company and that the seal impressed thereon is the seal of said trust company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

  
Notary Public

My commission expires \_\_\_\_\_ SHARON M. BRENDLE  
NOTARY PUBLIC  
MY COMMISSION EXPIRES AUGUST 10, 1997

(Seal)

APPENDIX A

NO. R-\_\_\_\_

\$\_\_\_\_\_

United States of America

THE DELAWARE RIVER AND BAY AUTHORITY

REVENUE BOND, SERIES 1993

Interest Rate _____ %	Maturity Date January 1, _____	Dated Date October 1, 1993	CUSIP No. 246307
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Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ Dollars

The Delaware River and Bay Authority (herein sometimes called the "Authority"), a body politic and an agency of government of the State of Delaware and the State of New Jersey, for value received, hereby promises to pay, but solely from the funds provided therefor as hereinafter set forth and in the manner hereinafter provided, to the registered owner hereof named above, or registered assigns on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof, at the principal corporate trust office of Wilmington Trust Company in the City of Wilmington, Delaware (the "Bond Registrar"), in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, the Principal Amount set forth above, and to pay interest on such Principal Amount from the Dated Date set forth above at the Interest Rate stated above per annum until said Principal Amount is paid, such interest to the maturity hereof being payable semi-annually on the 1st day of January and July in each year commencing January 1, 1994, solely from such sources, from the date hereof or the January 1, or July 1 next preceding the date on which this bond is authenticated, unless it is authenticated on January 1, or July 1, in which event from such date, at the Interest Rate set forth above. The interest so payable and punctually paid or duly provided for on any Interest Payment Date will, as provided in the Agreement hereinafter referred to, be paid by wire transfer or by check mailed to the person in whose name this bond (or one or more predecessor bonds, as defined in the Agreement hereinafter mentioned) is registered at the close of business on the regular record date for such interest, which shall be the June 15 or December 15 next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such regular record date, and may be paid to the person in whose name this bond (or any predecessor bond) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee hereinafter referred to, notice whereof being given by the Trustee by mail to the registered owners not less than 10 days prior to such special record date, or may be paid at any time in any other lawful

manner not inconsistent with the requirements of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange, or as more fully provided in the Agreement. Such payment of interest shall be by check mailed to the registered owner at such owner's address as it appears on the bond registration books of the Authority maintained by the Bond Registrar and shall be made in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

This bond shall not be deemed to pledge the credit of the State of Delaware or the State of New Jersey or of any agency or political subdivision thereof or to create a debt or liability of the State of Delaware or the State of New Jersey or of any agency or political subdivision thereof. Neither the State of Delaware or the State of New Jersey nor the Authority shall be obligated to pay this bond, the interest or the redemption premium, if any, hereon except from tolls and other revenues and from the funds created under the Agreement, and neither the faith and credit nor the taxing power of the State of Delaware or the State of New Jersey or of any of their political subdivisions is pledged to the payment of the principal of, the interest or the redemption premium, if any, on this bond and the Authority has no power to pledge hereafter the credit or to create any debt or liability of the State of Delaware, of the State of New Jersey or of any other agency or of any political subdivision of said States.

This bond is one of a duly authorized series of revenue bonds of the Authority in an aggregate principal amount of One Hundred Twenty-Three Million, Seven Hundred Fifty-five Thousand Dollars (\$123,755,000), designated as "Delaware River and Bay Authority Revenue Bonds, Series 1993 (the "bonds") dated as of the 1st day of October, 1993, consisting of bonds maturing in annual installments on the 1st day of January in the years 1994 to 2010, inclusive (herein called the "serial bonds"), and of bonds maturing on the 1st day of January, 2017 and the 1st day of January, 2024 (herein called the "term bonds"), for the purpose of providing sufficient funds for the retirement of the outstanding Revenue Bonds of the Authority dated as of the 1st day of January, 1964 and the costs of various capital projects contained in approximately the first two years of the Authority's current Five-Year Capital Improvement Program. Said capital projects relate to the improvement, rehabilitation and expansion of the twin spans of the Delaware Memorial Bridge and the Cape May-Lewes ferry system and related facilities and appurtenances (the "Project").

All of the bonds are issued under and pursuant to a trust agreement, dated as of the 1st day of October, 1993, by and between the Authority and Wilmington Trust Company, in the City of Wilmington, Delaware, as trustee (said Wilmington Trust Company and any bank or trust company becoming successor trustee under the Agreement being herein called the "Trustee") as supplemented by Supplemental Trust Agreement Number 1 thereto, dated as of the 1st day of October, 1993, by and between the Authority and the Trustee (said agreements, together with all agreements supplemental thereto as therein permitted, being herein called the "Agreement"), an executed counterpart of which Agreement is on file at the principal office of



the Trustee. Reference is hereby made to the Agreement for the provisions, among others, with respect to the custody and application of the proceeds of bonds issued under the Agreement, the collection and disposition of revenues, the funds charged with and pledged to the payment of the interest on and the principal, and premium, if any, of the bonds, the nature and extent of the security, the terms and conditions on which the bonds of each series are or may be issued, the rights, duties and obligations of the Authority and of the Trustee, Paying Agent, Depositaries and the Bond Registrar for the Series 1993 Bonds and the rights of the registered holders of the bonds, and, by the acceptance of this bond, the registered holder hereof assents to all of the provisions of the Agreement.

The Agreement provides for the issuance, from time to time, under the conditions, limitations and restrictions therein set forth, of additional series of bonds for the purpose of (a) paying all or any part of the cost of or completing payment of the cost of (i) any structure or facility adapted for public use in crossing the Delaware River or the Delaware Bay between the State of Delaware and the State of New Jersey, whether by bridge, tunnel, ferry or other device, and by any vehicle or means of transportation of persons and property, including all approaches and connecting and service routes and appurtenances and equipment relating thereto, or any addition or improvement to, capital program associated with, or any enlargement or replacement of, any part of the Project, the Authority's existing Delaware Memorial Bridge, its Cape May-Lewes ferry system, or any additional crossing (collectively, the Authority's "Crossing Facilities"), or any other structure, facility or other enterprise that may be included in, or permitted by, the definition of the term "Crossing" contained in the Compact (defined in the paragraph below) from time to time or (ii) for the purpose of preventing a loss of Net Revenues (as defined in the Agreement) derived from such Crossing Facilities, provided that such loss of Net Revenues would be the result of an emergency or some unusual or extraordinary occurrence and that the proceeds of such additional series of bonds would not be used for such purpose to the extent that insurance proceeds relating to such an occurrence were then available, and (b) refunding bonds issued under the provisions of the Agreement and other indebtedness of the Authority. In addition, the Agreement provides for the issuance of parity indebtedness as well as subordinate obligations.

This bond is issued and the Agreement was made and entered into under and pursuant to the Constitution and laws of the State of Delaware, particularly Chapters 145 and 146, Volume 53, Laws of Delaware, approved by the Governor of the State of Delaware July 21, 1961 and Chapter 252, Volume 67, Laws of Delaware, approved by the Governor of Delaware June 28, 1990, and the Constitution and laws of the State of New Jersey, particularly Chapter 66 of the Pamphlet Laws of 1961 of the State of New Jersey, approved by the Governor of the State of New Jersey June 3, 1961 and Chapter 192 of the Pamphlet Laws of 1989 of the State of New Jersey, approved by the Governor of the State of New Jersey October 18, 1989, and a compact contained in said Delaware and New Jersey laws and consented to by a Joint Resolution of the Congress of the United States of America, approved September 20, 1962, as amended and consented to by a Joint Resolution of the Congress of the United States of America, approved

November 15, 1990 as the same may be further amended from time to time (collectively referred to herein as the "Compact"), and under and pursuant to resolutions duly adopted by the Authority.

The Agreement, in accordance with and as required by the Compact, provides for the fixing, revising, charging and collecting by the Authority of tolls for the use of the Crossing Facilities and for revising such tolls from time to time in order that such tolls and other revenues of the Crossing Facilities will be sufficient to provide funds to pay the cost of maintaining, repairing and operating the Crossing Facilities to the extent provided in the Agreement and to pay the principal of and the interest on all bonds issued under the Agreement as the same shall become due and payable. The Agreement also provides for the deposit of a sufficient amount of such tolls and other revenues, over and above such cost of maintenance, repair and operation, to the credit of a special fund designated "The Delaware River and Bay Authority Revenue Bonds Debt Service Fund" (herein called the "Debt Service Fund"), which fund is pledged to and charged with the payment of the principal of and the interest on all bonds issued under the Agreement.

The bonds are issuable as registered bonds without coupons in denominations of \$5,000 or any whole multiple thereof. At the principal office of the Bond Registrar, in the manner and subject to the limitations and conditions provided in the Agreement, bonds may be exchanged for an equal aggregate principal amount of bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

The transfer of this bond is registrable by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Bond Registrar but only in the manner and subject to the limitations and conditions provided in the Agreement and upon surrender and cancellation of this bond. Upon any such registration of transfer the Authority shall execute and the Bond Registrar shall authenticate and deliver in exchange for this bond a new bond or bonds registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate. Neither the Authority nor the Bond Registrar shall be required to make any exchange or to register the transfer of any bond during the fifteen (15) days immediately preceding the date of the Authority's giving notice of redemption or after such bond has been selected for redemption.

The bonds of this series at the time outstanding may be redeemed prior to their respective maturities, as described below:

Amortization Requirements. The Series 1993 Bonds constituting term bonds shall be subject to redemption prior to maturity at a redemption price equal to the principal amount thereof, plus interest accrued to the date fixed for redemption as follows:

\$23,805,000

\$33,235,000

Term Bonds due January 1, 2017

Term Bonds due January 1, 2024

<u>Date</u> <u>(January)</u>	<u>Amortization</u> <u>Requirement</u>	<u>Date</u> <u>(January)</u>	<u>Amortization</u> <u>Requirement</u>
2011	\$2,925,000	2018	\$4,115,000
2012	3,070,000	2019	4,310,000
2013	3,225,000	2020	4,515,000
2014	3,385,000	2021	4,725,000
2015	3,555,000	2022	4,950,000
2016	3,730,000	2023	5,185,000
2017*	3,915,000	2024*	5,435,000

\* Unamortized principal at stated maturity.

Optional Redemption. The Series 1993 Bonds may not be called for redemption at the option of the Authority prior to January 1, 2004.

On and after January 1, 2004, the Series 1993 Bonds maturing on or after January 1, 2005 may be called for redemption prior to maturity at the option of the Authority, from any moneys that may be made available for such purpose, other than moneys set aside in respect of an Interest Requirement, Principal Requirement or Amortization Requirement for other bonds, in whole or in part at any time, from such maturity or maturities as the Authority may direct, at redemption prices (expressed as a percentage of principal amount of the Series 1993 Bonds, or portions thereof, to be redeemed), plus interest accrued to the date fixed for redemption, as follows:

<u>Redemption Period (dates inclusive)</u>	<u>Redemption Price</u>
January 1, 2004 through December 31, 2004	102%
January 1, 2005 through December 31, 2005	101
January 1, 2006 and thereafter	100

If less than all of the Series 1993 Bonds of any one maturity shall be called for redemption, the particular Series 1993 Bonds or portions of registered Series 1993 Bonds to be redeemed from such maturity shall be selected by lot in such manner as the Trustee deems fair and appropriate as provided in the Agreement.

At least 30 days but no more than 60 days before the redemption date of any Series 1993 Bonds, a notice of any such redemption will be mailed, first class, postage prepaid, to all registered owners of Series 1993 Bonds to be redeemed as a whole or in part, but any defect in such notice or the failure so to mail any such notice to the registered owner of any bond shall not affect the validity of the proceedings for the redemption of any other bonds. Each such notice will set forth the bonds or portions thereof to be redeemed, the date fixed for redemption, the Redemption Price to be paid, and if less than all the bonds will be called for redemption, the maturities of the bonds to be redeemed and shall otherwise comply with Securities Exchange Act of 1934 Release No. 34-23856, dated December 3, 1986, including the requirement that notice be given to all organizations registered with the Securities and Exchange Commission as securities depositories, and to at least two information services of national recognition which disseminate redemption information with respect to tax-exempt securities. On the date fixed for redemption, notice having been mailed in the manner provided in the Agreement, the Series 1993 Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If a portion of this bond shall be called for redemption, a new Series 1993 Bond or Bonds in principal amount equal to the unredeemed portion hereof, of the same maturity and bearing interest at the same rate will be issued to the registered owner upon the surrender hereof.

The registered holder of this bond shall have no right to enforce the provisions of the Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Agreement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Agreement.

In certain events, on the conditions, in the manner and with the effect set forth in the Agreement, the principal of all the bonds then outstanding under the Agreement may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

Modifications or alterations of the Agreement or of any agreement supplemental thereto may be made by the Authority and the Trustee only to the extent and in the circumstances permitted by the Agreement.

All acts, conditions and things required by the constitutions and laws of the State of Delaware and the State of New Jersey and the Compact to happen, exist and be performed precedent to and in the issuance of this bond and the execution of the Agreement have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Agreement until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, The Delaware River and Bay Authority, by its Board of Commissioners as the governing body thereof, has caused this bond to bear the facsimile signatures of the Chairman, the Vice-Chairman and the Secretary of the Authority, and a facsimile of the official and corporate seal of said Authority to be imprinted hereon, all as of the 1st day of October, 1993.

\_\_\_\_\_  
Vice-Chairman of The Delaware  
River and Bay Authority

\_\_\_\_\_  
Chairman of The Delaware  
River and Bay Authority

\_\_\_\_\_  
Secretary of The Delaware  
River and Bay Authority

(To be endorsed on all bonds)

#### CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds of the series designated therein and issued under the provisions of the within mentioned Agreement.

WILMINGTON TRUST COMPANY,  
As Bond Registrar

By \_\_\_\_\_  
Authorized Officer



## STATEMENT OF INSURANCE

The Municipal Bond Investors Assurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at Wilmington Trust Company, as Bond Registrar, Wilmington, Delaware.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Authority to the Bond Registrar or its successor of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean The Delaware River and Bay Authority Revenue Bonds, Series 1993 stated to mature on January 1, 2000, January 1, 2001, January 1, 2008, January 1, 2009, January 1, 2010, January 1, 2017 and January 1, 2024.

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Bond Registrar or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with Citibank, N.A., in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to Citibank, N.A., Citibank, N.A. shall disburse to such owners or the Bond Registrar payment of the Insured Amounts due on such Obligations, less any amount held by the Bond Registrar for the payment of such Insured Amounts and legally available therefor. This policy does not

insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Bond Registrar, the Authority, or any designee of the Authority for such purpose. The term owner shall not include the Authority or any party whose agreement with the Authority constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION